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DRAFT RED HERRING PROSPECTUS

Dated: October 15, 2025

Please read Section 32 of the Companies Act, 2013

(This Draft Red Herring Prospectus will be updated upon filing with the RoC)

100% Book Built Offer



DUROFLEX LIMITED

CORPORATE IDENTITY NUMBER: U36104KL1981PLC003447

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
P. B. No. 3808, Chungom, Alappuzha, Ambalappuzha 688 011, Kerala, India	30/6, HSR Layout, vide CMC Khatha No. 268/18/11 Sector 6, Hosur Main Road, Bangalore 560 068, Karnataka, India	Solly Mathew <i>Company Secretary and Compliance Officer</i>	Email: cs@duroflexworld.com Tel: +91 8904692541	www.duroflexworld.com

OUR PROMOTERS: JACOB JOSEPH GEORGE, MATHEW CHANDY, MATHEW GEORGE AND MATHEW ANTONY JOSEPH

DETAILS OF THE OFFER TO THE PUBLIC

TYPE	SIZE OF FRESH ISSUE	SIZE OF THE OFFER FOR SALE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATIONS AMONG QIB, NIB, RIB AND ELIGIBLE EMPLOYEES
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹1,836.00 million	Up to 22,564,569 Equity Shares of face value of ₹1 each aggregating up to ₹[●] million	Up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹[●] million	The Offer is being made pursuant to Regulation 6(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”) as our Company does not fulfil the requirements under Regulation 6(1) of the SEBI ICDR Regulations. For further details, see “Other Regulatory and Statutory Disclosures – Eligibility for the Offer” on page 409. For details in relation to share reservation among QIBs, NIBs, RIBs and Eligible Employees (as defined hereinafter) see “Offer Structure” on page 428.

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION

NAME OF SELLING SHAREHOLDER (*)	TYPE	NUMBER OF EQUITY SHARES OF FACE VALUE OF ₹1 OFFERED	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE OF FACE VALUE ₹1 EACH (IN ₹)*
Jacob Joseph George	Promoter Selling Shareholder	Up to 1,912,252 Equity Shares of face value ₹1 each aggregating up to ₹[●] million	1.57
Mathew Chandy	Promoter Selling Shareholder	Up to 5,736,755 Equity Shares of face value ₹1 each aggregating up to ₹[●] million	2.63
Mathew George	Promoter Selling Shareholder	Up to 2,294,702 Equity Shares of face value ₹1 each aggregating up to ₹[●] million	1.61
Mathew Antony Joseph	Promoter Selling Shareholder	Up to 3,059,602 Equity Shares of face value ₹1 each aggregating up to ₹[●] million	2.57
Lighthouse India Fund III, Limited	Investor Selling Shareholder	Up to 9,460,574 Equity Shares of face value ₹1 each aggregating up to ₹[●] million	114.23
Lighthouse India III Employee Trust	Investor Selling Shareholder	Up to 100,684 Equity Shares of face value ₹1 each aggregating up to ₹[●] million	114.23

*As certified by P K Shah & Co, Chartered Accountants, having firm registration number 308150E, by way of their certificate dated October 15, 2025.

For further details, see “The Offer” on page 69.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹1 each. The Floor Price and Cap Price, determined by our Company, in consultation with the Book Running Lead Managers, and the Offer Price determined by our Company, in consultation with the Book Running Lead Managers, in accordance with the SEBI ICDR Regulations, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Offer Price” beginning on page 128 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the Bidders is invited to “Risk Factors” on page 32.

COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

Each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms only the statements specifically made or confirmed by such Selling Shareholder in this Draft Red Herring Prospectus, to the extent such statements are solely in relation to such Selling Shareholder and its respective portion of the Offered Shares, and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. No Selling Shareholder assumes responsibility for any other statements, disclosures and undertakings in this Draft Red Herring Prospectus, including without limitation, any of the statements, disclosures or undertakings made or confirmed by or in relation to our Company or our Company's business, or by any other Selling Shareholder or any other person(s).

LISTING

The Equity Shares that will be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges being BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE" and together with BSE, the "Stock Exchanges"). In compliance with and pursuant to the SEBI ICDR Regulation, we undertake to finalize and appoint the designated stock exchange, prior to the filing of the Red Herring Prospectus.

BOOK RUNNING LEAD MANAGERS

NAMES AND LOGOS OF THE BRLMS		CONTACT PERSON	EMAIL AND TELEPHONE
	JM Financial Limited	Prachee Dhuri	E-mail: duroflex.ipo@jmfll.com Tel: +91 22 6630 3030
	Motilal Oswal Investment Advisors Limited	Sankita Ajinkya/Shashank Pisat	E-mail: duroflex.ipo@motilaloswal.com Tel: +91 22 7193 4380

REGISTRAR TO THE OFFER

NAME OF THE REGISTRAR	CONTACT PERSON	E-MAIL AND TELEPHONE
	M. Murali Krishna	E-mail: duroflex.ipo@kfintech.com Tel: +91 40 6716 2222/18003094001

BID/OFFER PERIOD

ANCHOR INVESTOR OFFER PERIOD	[●] ⁽¹⁾
BID/OFFER OPENS ON	[●]
BID/OFFER CLOSES ON	[●] ^{(2)(3)*}

(1) Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date.

(2) Our Company, in consultation with the BRLMs, may consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.

(3) Our Company, in consultation with the Book Running Lead Managers, may consider an issue of specified securities ("Pre-IPO Placement") aggregating up to ₹367.20 million, as may be permitted under the applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the allotment of the Equity Shares issued pursuant to the Pre-IPO Placement will be done towards the general corporate purposes portion of the Objects of the Offer, unless auditor certified disclosures are made with regards to its utilization towards the disclosed specific Objects of the Offer. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

* The UPI mandate end time and date shall be at 5.00 p.m. on the Bid/ Offer Closing Date.



DUROFLEX LIMITED

Our Company was initially incorporated as ‘Duroflex Coir Industries Private Limited’ as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated November 9, 1981, issued by the Registrar of Companies at Kerala (“RoC at Kerala”). Our Company was subsequently converted into a public limited company, pursuant to a resolution passed by our Board on November 17, 1995, and a special resolution passed by our Shareholders on December 11, 1995, resulting in the change of our Company’s name to ‘Duroflex Coir Industries Limited’. A fresh certificate of incorporation dated December 11, 1995, reflecting this change was issued by the RoC at Kerala. Subsequently, the name of our Company was changed from ‘Duroflex Coir Industries Limited’ to ‘Duroflex Limited’ pursuant to a resolution passed by our Board on November 17, 1995, and a special resolution passed by our Shareholders on December 11, 1995. A fresh certificate of incorporation dated March 8, 1996, was accordingly issued by the RoC at Kerala. Thereafter, our Company was re-converted to a private limited company, pursuant to a resolution passed by our Board on September 1, 2001, and a special resolution passed by our Shareholders on September 29, 2001, which resulted in the name change to ‘Duroflex Private Limited’. The RoC at Kerala issued a fresh certificate of incorporation dated July 29, 2003. Subsequently, our Company was once again converted into a public limited company, pursuant to a resolution dated September 9, 2025, passed by our Board and a special resolution passed by our Shareholders on September 9, 2025, with the name changed to ‘Duroflex Limited’. The Registrar of Companies, Central Processing Centre, issued a fresh certificate of incorporation dated September 17, 2025, reflecting this conversion and name change. For further details, see “History and Certain Corporate Matters – Brief History of our Company” on page 231.

Registered Office: P. B. No. 3808, Chungom, Alappuzha, Ambalappuzha 688 011, Kerala, India

Corporate Office: 30/6, HSR Layout, vide CMC Khatha No. 268/18/11 Sector 6, Hosur Main Road, Bangalore 560 068, Karnataka, India

Tel: +91 8904692541; **Website:** www.duroflexworld.com; **Contact person:** Solly Mathew, Company Secretary and Compliance Officer; **E-mail:** cs@duroflexworld.com;

Corporate Identity Number: U36104KL1981PLC003447

OUR PROMOTERS: JACOB JOSEPH GEORGE, MATHEW CHANDY, MATHEW GEORGE AND MATHEW ANTONY JOSEPH

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹1 EACH (“EQUITY SHARES”) OF DUROFLEX LIMITED (“COMPANY”) FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) (“OFFER PRICE”) AGGREGATING UP TO ₹[●] MILLION COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹1 EACH AGGREGATING UP TO ₹1,836.00 MILLION BY OUR COMPANY (“FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO 22,564,569 EQUITY SHARES OF FACE VALUE OF ₹1 EACH AGGREGATING UP TO ₹ [●] MILLION BY THE SELLING SHAREHOLDERS, UP TO 1,912,252 EQUITY SHARES OF FACE VALUE OF ₹1 EACH AGGREGATING UP TO ₹[●] MILLION BY JACOB JOSEPH GEORGE, UP TO 5,736,755 EQUITY SHARES OF FACE VALUE OF ₹1 EACH AGGREGATING UP TO ₹[●] MILLION BY MATHEW CHANDY, UP TO 2,294,702 EQUITY SHARES OF FACE VALUE OF ₹1 EACH AGGREGATING UP TO ₹[●] MILLION BY MATHEW GEORGE AND UP TO 3,059,602 EQUITY SHARES OF FACE VALUE OF ₹1 EACH AGGREGATING UP TO ₹[●] MILLION BY MATHEW ANTONY JOSEPH (COLLECTIVELY THE “PROMOTER SELLING SHAREHOLDERS”) AND UP TO 9,460,574 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY LIGHTHOUSE INDIA FUND III, LIMITED AND UP TO 100,684 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY LIGHTHOUSE INDIA III EMPLOYEE TRUST (COLLECTIVELY, THE “INVESTOR SELLING SHAREHOLDERS”) (THE PROMOTER SELLING SHAREHOLDERS TOGETHER WITH THE INVESTOR SELLING SHAREHOLDERS, THE “SELLING SHAREHOLDERS” AND SUCH EQUITY SHARES SO OFFERED BY THE SELLING SHAREHOLDERS, THE “OFFERED SHARES” AND SUCH OFFER, THE “OFFER FOR SALE” AND TOGETHER WITH THE FRESH ISSUE, THE “OFFER”).

OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, MAY CONSIDER PRE-IPO PLACEMENT AGGREGATING UP TO ₹367.20 MILLION, AS MAY BE PERMITTED UNDER THE APPLICABLE LAW, AT ITS DISCRETION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SCRR. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL NOT EXCEED 20% OF THE SIZE OF THE FRESH ISSUE. THE UTILISATION OF THE PROCEEDS RAISED PURSUANT TO THE ALLOTMENT OF THE EQUITY SHARES ISSUED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE DONE TOWARDS THE GENERAL CORPORATE PURPOSES PORTION OF THE OBJECTS OF THE OFFER, UNLESS AUDITOR CERTIFIED DISCLOSURES ARE MADE WITH REGARDS TO ITS UTILIZATION TOWARDS THE DISCLOSED SPECIFIC OBJECTS OF THE OFFER. PRIOR TO THE COMPLETION OF THE OFFER, OUR COMPANY SHALL APPROPRIATELY INTIMATE THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT, PRIOR TO ALLOTMENT PURSUANT TO THE PRE-IPO PLACEMENT, THAT THERE IS NO GUARANTEE THAT OUR COMPANY MAY PROCEED WITH THE OFFER, OR THE OFFER MAY BE SUCCESSFUL AND WILL RESULT INTO LISTING OF THE EQUITY SHARES ON THE STOCK EXCHANGES. FURTHER, RELEVANT DISCLOSURES IN RELATION TO SUCH INTIMATION TO THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT (IF UNDERTAKEN) SHALL BE APPROPRIATELY MADE IN THE RELEVANT SECTIONS OF THE RED HERRING PROSPECTUS AND THE PROSPECTUS.

THIS OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES OF FACE VALUE ₹1 EACH (CONSTITUTING UP TO [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL) FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE “EMPLOYEE RESERVATION PORTION”) AND NET OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE ₹1 EACH. THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HERINAFTER REFERRED TO AS THE “NET OFFER”. THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●]% AND [●]%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF EQUITY SHARES IS ₹1 EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND, AND THE MINIMUM BID LOT SHALL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMS AND WILL BE ADVERTISED IN ALL EDITIONS OF [●], AN ENGLISH NATIONAL DAILY NEWSPAPER, ALL EDITIONS OF [●], A HINDI NATIONAL DAILY NEWSPAPER AND THE [●] EDITION OF [●], A MALAYALAM DAILY NEWSPAPER (MALAYALAM BEING THE REGIONAL LANGUAGE OF KERALA, WHERE OUR REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE STOCK EXCHANGES FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.

In case of any revision in the Price Band, the Bid/ Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Self-Certified Syndicate Banks (“SCSBs”), other Designated Intermediaries and the Sponsor Bank(s), as applicable.

This is an Offer in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations. This Offer is being made through the Book Building Process in compliance with Regulation 6(2) of the SEBI ICDR Regulations and Regulation 32(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) and such portion the “QIB Portion” provided that our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than Anchor Investor Portion) (“Net QIB Portion”). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors) including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. If at least 75% of the Offer cannot be Allotted to QIBs, then the entire application money will be refunded forthwith. Further, not more than 15% of the Net Offer shall be available for allocation to NIBs of which (a) one third portion shall be reserved for Bidders with application size of more than ₹0.20 million and up to ₹1.00 million; and (b) two-thirds of the portion shall be reserved for Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to Bidders in other sub-category of the NIBs in accordance with SEBI ICDR Regulations and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Bidders (“RIB”) in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price. All Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective ASBA accounts and UPI ID (in case of UPI Bidders (defined herein) using the UPI Mechanism), in which case the corresponding Bid Amounts will be blocked by the SCSBs or the Sponsor Banks under the UPI Mechanism, as the case may be, to the extent of their respective Bid Amounts. Anchor Investors are not permitted to participate in the Anchor Investor Portion of the Offer through the ASBA process. For details, see “Offer Procedure” on page 432.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹1 each. The Floor Price and Cap Price, determined by our Company, in consultation with the BRLMs, and the Offer Price determined by our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, and on the basis of assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Offer Price” beginning on page 128, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the Bidders is invited to “Risk Factors” on page 32.

COMPANY AND SELLING SHAREHOLDERS’ ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms only the statements specifically made or confirmed by such Selling Shareholder in this Draft Red Herring Prospectus, to the extent such statements are solely in relation to such Selling Shareholder and their respective portion of the Offered Shares, and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. No Selling Shareholder assumes responsibility for any other statements, disclosures and undertakings in this Draft Red Herring Prospectus, including without limitation, any of the statements, disclosures or undertakings made or confirmed by or in relation to our Company or our Company’s business, or by any other Selling Shareholder or any other person(s).

LISTING

The Equity Shares to be Allotted through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received ‘in-principle’ approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered to the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/ Offer Closing Date, see “Material Contracts and Documents for Inspection” on page 482.

BOOK RUNNING LEAD MANAGERS TO THE OFFER

REGISTRAR TO THE OFFER

JM Financial Limited 7th Floor, Energy Appasaheb Marathe Marg Prabhadevi Mumbai 400 025 Maharashtra, India Tel: +91 22 6630 3030 E-mail: duroflex ipo@jmfml.com Website: www.jmfml.com Investor Grievance E-mail: grievance.ibd@jmfml.com Contact Person: Prachee Dhuri SEBI Registration No.: INM000010361	Motilal Oswal Investment Advisors Limited Motilal Oswal Tower Rahimtullah Sayani Road Opposite Parel ST Depot, Prabhadevi Mumbai 400 025 Maharashtra, India Tel: +91 22 7193 4380 E-mail: duroflex ipo@motilaloswal.com Website: www.motilaloswalgroup.com Investor Grievance E-mail: motiapdressal@motilaloswal.com Contact Person: Sankita Ajinkya/Shashank Pisat SEBI Registration No.: INM000011005	KFin Technologies Limited Selenium Tower B, Plot No. 31 and 32 Financial District, Nanakramguda Serilingampally, Hyderabad Rangareddy 500 032 Telangana, India Tel: +91 40 6716 2222/18003094001 E-mail: duroflex ipo@kfintech.com Website: www.kfintech.com Investor Grievance E-mail: einward.ris@kfintech.com Contact Person: M. Murali Krishna SEBI Registration No.: INR000000221

BID/ OFFER OPENS ON	BID/ OFFER PERIOD	[●] ⁽¹⁾
BID/ OFFER CLOSING ON		[●] ^{(2)*}

(1) Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date.

(2) Our Company and, in consultation with the BRLMs, may consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.

* The UPI mandate end time and date shall be at 5.00 p.m. on the Bid/ Offer Closing Date.

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meanings as provided below. References to any legislation, act, regulation, rules, guidelines, clarifications or policies or articles of association or memorandum of association shall be to such legislation, act, regulation, rules, guidelines, clarifications or policies or articles of association or memorandum of association as amended, updated, supplemented, re-enacted or modified from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document, the definitions given below shall prevail.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the same meanings ascribed to such terms under the SEBI ICDR Regulations, the SEBI Act, the Companies Act, the SCRA, the Depositories Act and the rules and regulations notified thereunder.

Notwithstanding the foregoing, the terms used in “Objects of the Offer”, “Basis for Offer Price”, “Statement of Possible Special Tax Benefits”, “Industry Overview”, “Key Regulations and Policies”, “History and Certain Corporate Matters”, “Restated Consolidated Financial Information”, “Financial Indebtedness”, “Outstanding Litigation and Material Developments”, “Other Regulatory and Statutory Disclosures” and “Description of Equity Shares and Terms of Articles of Association” on pages 116, 128, 139, 146, 223, 231, 269, 387, 390, 408 and 453, respectively, shall have the meanings ascribed to them in the relevant section.

General terms

Term	Description
“our Company” or “the Company”	Duroflex Limited, a company incorporated under the Companies Act, 1956, having its Registered Office at P. B. No. 3808, Chungom, Alappuzha, Ambalappuzha 688 011, Kerala, India and Corporate Office at 30/6, HSR Layout, vide CMC Khatha No. 268/18/11 Sector 6, Hosur Main Road, Bangalore 560 068, Karnataka, India
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, refers to our Company, together with our Subsidiaries, on a consolidated basis

Company related terms

Term	Description
“Articles of Association” or “AoA” or “Articles”	Articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as described in “ <i>Our Management – Committees of our Board – Audit Committee</i> ” on page 250
“Board” or “Board of Directors”	Board of directors of our Company. For details see “ <i>Our Management</i> ” on page 243
Chairman and Managing Director	The chairman and managing director of our Company, namely, Jacob Joseph George
“Chief Financial Officer” or “CFO”	Chief financial officer of our Company, namely, Rajat Rastogi, as disclosed in “ <i>Our Management</i> ” on page 243
Committee(s)	Duly constituted committee(s) of our Board
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, being Solly Mathew, as disclosed in “ <i>Our Management</i> ” on page 243
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and as described in “ <i>Our Management – Committees of the Board – Corporate Social Responsibility Committee</i> ” on page 254
Corporate Office	The corporate office of our Company, located at 30/6, HSR Layout, vide CMC Khatha No. 268/18/11 Sector 6, Hosur Main Road, Bengaluru 560 068, Karnataka, India
Director(s)	The directors on our Board, as appointed from time to time. For details, see “ <i>Our Management</i> ” on page 243
Duroflex ESOP 2023 Plan I	Duroflex ESOP 2023 Plan I of the Company, introduced with effect from February 16, 2023 and subsequently modified on May 24, 2024 and September 9, 2025
Duroflex ESOP 2023 Plan II	Duroflex ESOP 2023 Plan II of the Company, introduced with effect from February 16, 2023
ESOP 2019	Duroflex Employee Share Option Scheme, 2019
ESOP 2023	Duroflex Employee Stock Option Scheme, 2023, formed by merging Duroflex ESOP 2023 Plan I and Duroflex ESOP 2023 Plan II on October 11, 2025

Term	Description
ESOP Schemes	Collectively, ESOP 2019 and ESOP 2023
Equity Shares	Equity shares of our Company having face value of ₹1 each
Group Companies	Group companies of our Company in accordance with Regulation 2(1)(t) of the SEBI ICDR Regulations, as disclosed in “ <i>Our Group Companies</i> ” on page 406
Independent Architect	Architects IN, a firm of duly qualified architects registered with the Council of Architecture, Government of India
Independent Chartered Accountant	P K Shah & Co, Chartered Accountants
Independent Chartered Engineer	Praveen Subramanya, an independent chartered engineer, having membership number M-1806798
“Independent Director(s)” or “Non-Executive Independent Director(s)”	Independent directors on our Board, as disclosed in “ <i>Our Management</i> ” on page 243
Investor Selling Shareholder(s)	Lighthouse India Fund III, Limited and Lighthouse India III Employee Trust
IPO Committee	The IPO committee of our Board as described in “ <i>Our Management – Committees of our Board – IPO Committee</i> ” on page 255
“Key Managerial Personnel” or “KMP”	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act and as disclosed in “ <i>Our Management – Key Managerial Personnel</i> ” on page 261
Lighthouse India Fund	Lighthouse India Fund III, Limited
Lighthouse Trust	Lighthouse India III Employee Trust
Lighthouse	Collectively, Lighthouse India Fund and Lighthouse Trust
Manufacturing Facility – I	Manufacturing facility operated by our Company at Survey No. 88, 89/1, 89/2, Komaranapalli Village, Denkanikottai Taluk, Krishnagiri District, Tamil Nadu, India
Manufacturing Facility – II	Manufacturing facility operated by our Company at Survey No. 131 to 135, Kallugondapalli Village, Denkanikottai Taluk, Krishnagiri District, Tamil Nadu, India
Manufacturing Facility – III	Manufacturing facility operated by our Company at Survey No. 245/1, 244/1, 244/2A, 243/2B1, 243/2B2, Plot No. 3rd KM, Karimangalam to Pannandur Road, Dhamodharahalli Panchayat, Pochampalli Taluk, Krishnagiri District, Tamil Nadu, India
Manufacturing Facility – IV	Manufacturing facility operated by our Company at Survey No. 582, Rampally (V), Keesara (M), Medchal, Malkajgiri District, Hyderabad, Telangana
Manufacturing Facility – V	Manufacturing facility operated by Shivaarna at Survey No. 435/3, 435/4, Sanwer-Kshipra Road, Hatuniya Village, Kshipra Tehsil, Indore, Madhya Pradesh
Manufacturing Facility – VI	Manufacturing facility operated by Shivaarna at Survey No. 9/1/2, 9/1/3 and 10/2 Baroda Village, Arjun Parwari Halka Peerkardiya Kshipra, Sanwer Tehsil, Indore, Madhya Pradesh
Manufacturing Facility – VII	Manufacturing facility and mother warehouse operated by our Company at Survey No. 766, Avigna Industrial Park, Kelamangalam, Denkanikottai Taluk, Krishnagiri District, Tamil Nadu, India
“Material Subsidiary” or “Material Subsidiaries”	For the purposes of disclosure of preparation of statement of possible special tax benefits, Shivaarna Technofoams Private Limited will be considered as material subsidiary, determined as per Regulation 16(1)(c) of the SEBI Listing Regulations, in compliance with Paragraph 9(M) of Schedule VI of the SEBI ICDR Regulations. For further details, see “<i>Statement of Possible Special Tax Benefits</i>” on page 139. Further, for the purposes of disclosure of financial statements on our Company’s website, Shivaarna Technofoams Private Limited, REM42 Technologies Private Limited and Sleepyhead Home Decor Private Limited for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, are considered as material subsidiaries, determined in accordance with paragraph 11, I(A)(ii)(b) of Schedule VI of the SEBI ICDR Regulations. For further details, see “<i>Other Financial Information</i>” on page 346.
“Memorandum of Association” or “MoA”	Memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013, SEBI Listing Regulations and as described in “ <i>Our Management – Committees of our Board – Nomination and Remuneration Committee</i> ” on page 253
Norwest	Norwest Capital, LLC
Palmspring	Palmspring Mattresses Private Limited

Term	Description
“Promoters” or “Promoter Selling Shareholders”	Jacob Joseph George, Mathew Chandy, Mathew George and Mathew Antony Joseph
Promoter Group	The individuals and the entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as described in “ <i>Our Promoters and Promoter Group</i> ” on page 264
Registered Office	The registered office of our Company, located at P. B. No. 3808, Chungom, Alappuzha, Ambalappuzha 688 011, Kerala, India
REM42	REM42 Technologies Private Limited
“Registrar of Companies” or “RoC at Ernakulam”	Registrar of Companies, Kerala at Ernakulam
RoC CPC	Registrar of Companies, Central Processing Centre
RoC at Kerala	Registrar of Companies at Kerala
Restated Consolidated Financial Information	Restated consolidated financial information of our Company and our Subsidiaries, comprising the restated consolidated statement of assets and liabilities as at June 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows for the three months period ended June 30, 2025 and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023, the material accounting policies, and other explanatory information and notes, prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended, SEBI ICDR Regulations, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time
Risk Management Committee	The risk management committee of our Board, constituted in accordance with the applicable provisions of the SEBI Listing Regulations, as amended and as described in “ <i>Our Management – Committees of our Board – Risk Management Committee</i> ” on page 254
Selling Shareholders	Collectively, Promoter Selling Shareholders and Investor Selling Shareholders
Senior Management	Senior management of our Company in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in “ <i>Our Management – Senior Management</i> ” on page 261
“SHA” or “Shareholders’ Agreement”	Shareholders’ agreement dated October 21, 2021, entered into by and among our Company, our Promoters, Lighthouse India Fund, III Limited, Lighthouse India III Employee Trust and Norwest Capital, LLC, read with the deed of adherence dated December 10, 2021 entered into by and amongst our Company, Miriam Chandy, our Promoters, Lighthouse India Fund, III Limited, Lighthouse India III Employee Trust and Norwest Capital, LLC, as amended pursuant to the amendment agreement dated November 23, 2022, as amended pursuant to the Waiver cum Amendment Agreement
Shareholder(s)	Shareholder(s) of our Company from time to time
Shivaarna	Shivaarna Technofoams Private Limited
Sleepyhead	Sleepyhead Home Decor Private Limited
Stakeholders Relationship Committee	The stakeholders’ relationship committee of our Board, constituted in accordance with the applicable provisions of the SEBI Listing Regulations and as described in “ <i>Our Management – Committees of our Board – Stakeholders Relationship Committee</i> ” on page 253
Statutory Auditor	B S R & Co. LLP, Chartered Accountants, current statutory auditor of our Company
“Subsidiary” or “our Subsidiary” or “Subsidiaries”	The subsidiaries of our Company namely, Sleepyhead, REM42 and Shivaarna as disclosed in “ <i>History and Certain Corporate Matters – Our Subsidiaries</i> ” on page 239
VEPL	Vazhathoppil Enterprises Private Limited
“WCA” or “Waiver cum Amendment Agreement”	Waiver cum amendment agreement dated October 13, 2025 to the Shareholders Agreement
Whole-time Directors	The whole-time directors of our Company, namely, Mathew Chandy, Mathew George and Mathew Antony Joseph

Offer Related Terms

Term	Description
Abridged Prospectus	The memorandum containing such salient features of a prospectus as may be specified by SEBI in this regard
Acknowledgement Slip	The slip or document to be issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
“Allot” or “Allotment” or “Allotted”	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of Offered Shares pursuant to the Offer for Sale, in each case to the successful Bidders
Allotment Advice	The note or advice or intimation of Allotment sent to each of the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100.00 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors during the Anchor Investor Bid/Offer Period in terms of the Red Herring Prospectus and the Prospectus, which will be determined by our Company, in consultation with the BRLMs
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion in accordance with the requirements specified under the SEBI ICDR Regulations and which will be considered as an application for Allotment in terms of the Red Herring Prospectus
“Anchor Investor Bidding Date” or “Anchor Investor Bid/ Offer Period”	The day, being one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Managers will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be equal to or higher than the Offer Price but not higher than the Cap Price The Anchor Investor Offer Price will be determined by our Company, in consultation with the BRLMs
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), the Anchor Investor Bid/ Offer Period, and in the event the Anchor Investor Allocation Price is lower than the Anchor Investor Offer Price, not later than two Working Days after the Bid/ Offer Closing Date
“Anchor Investor Portion”	Up to 60% of the QIB Portion, which may be allocated by our Company in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Anchor Investor Offer Price One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
“Application Supported by Blocked Amount” or “ASBA”	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder in which the Bid Amount is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidders using the UPI Mechanism
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), the Public Offer Account Bank(s), the Sponsor Bank(s) and the Refund Bank(s), as the case may be

Term	Description
Basis of Allotment	The basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in “Offer Procedure” on page 432
Bid(s)	An indication to make an offer during the Bid/ Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Offer Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to the Equity Shares at a price within the Price Band, including all revisions and modifications thereto, as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder, in the case of RIBs Bidding at the Cut-off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid in the Offer. Eligible Employees applying in the Employee Reservation Portion can apply at the Cut Off Price and the Bid amount shall be Cap Price, multiplied by the number of Equity Shares Bid for such Eligible Employee and mentioned in the Bid cum Application Form. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹0.50 million. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million. Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million
Bid cum Application Form	Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares of face value ₹1 each and in multiples of [●] Equity Shares of face value ₹1 each thereafter
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be published in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] edition of [●], a Malayalam daily newspaper (Malayalam being the regional language of Kerala, where our Registered Office is located), each with wide circulation Our Company, may, in consultation with the BRLMs consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the revised Bid/ Offer Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the BRLMs and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank(s), and shall also be notified in an advertisement in the same newspapers in which the Bid/ Offer Opening Date will be published, as required under the SEBI ICDR Regulations
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be published in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] edition of [●], a Malayalam daily newspaper (Malayalam being the regional language of Kerala, where our Registered Office is located), each with wide circulation
Bid/ Offer Period	Except in relation to Bids received from the Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company, in consultation with the Book Running Lead Managers, may consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations

Term	Description
“Bidder” or “Applicant”	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder and an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	The book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
“Book Running Lead Managers” or “BRLMs”	The book running lead managers to the Offer, namely, JM Financial Limited and Motilal Oswal Investment Advisors Limited
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. The Cap Price shall be at least 105% of the Floor Price
Cash Escrow and Sponsor Bank(s) Agreement	The cash escrow and sponsor bank(s) agreement to be entered amongst our Company, each of the Selling Shareholders, the BRLMs, Syndicate Members, the Banker(s) to the Offer and Registrar to the Offer for, <i>inter alia</i> , collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, remitting refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof in accordance with the UPI circulars
Client ID	Client identification number maintained with one of the Depositories in relation to dematerialised account
“Collecting Depository Participant” or “CDP”	A depository participant as defined under the Depositories Act and registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the SEBI ICDR Master Circular, the SEBI RTA Master Circular issued by SEBI as per the list available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time and the UPI Circulars
“Confirmation of Allocation Note” or “CAN”	The notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on or after the Anchor Investor Bid/ Offer Period
Cut-off Price	The Offer Price, finalised by our Company, in consultation with the BRLMs, which shall be any price within the Price Band Only RIBs Bidding in the Retail Portion and Eligible Employees bidding in the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and NIBs are not entitled to Bid at the Cut-off Price
Demographic Details	The details of the Bidders including the Bidder’s address, name of the Bidder’s father/husband, investor status, occupation, bank account details, PAN and UPI ID, wherever applicable
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where ASBA Bidders can submit the ASBA Forms The details of such Designated CDP Locations, along with the names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Offer Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank(s)) for the transfer of the relevant amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account and/ or are unblocked, as the case may be, in terms of the Red Herring Prospectus and the Prospectus, after finalization of the Basis of

Term	Description
	Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted to successful Bidders in the Offer
Designated Intermediary(ies)	Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than in relation to RIBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the relevant Bidders, in relation to the Offer In relation to ASBA Forms submitted by RIBs Bidding in the Retail Portion, Eligible Employees bidding in the Employee Reservation Portion by authorising an SCSB to block the Bid Amount in the ASBA Account and HNIs bidding with an application size of up to ₹0.50 million (not using the UPI Mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs In relation to ASBA Forms submitted by QIBs (excluding Anchor Investors) and NIBs (not using UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders (except Anchor Investors) can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with the names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated Stock Exchange	[●]
“Draft Red Herring Prospectus” or “DRHP”	This draft red herring prospectus dated October 15, 2025 filed with SEBI and the Stock Exchanges, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto
Eligible Employees	Permanent employees, working in India (excluding such employees who are not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines), of our Company as on the date of filing the Red Herring Prospectus with the RoC and who continue to be a permanent employee of our Company until the submission of the ASBA Form; or a Director of our Company, whether whole-time or not, who is eligible to apply under the Employee Reservation Portion under applicable law as on the date of the filing of the Red Herring Prospectus with the RoC and who continues to be a Director of our Company, until the date of submission of the Bid cum Application Form, but not including (i) Promoters; (ii) persons belonging to the Promoter Group; (iii) Directors who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding Equity Shares of our Company The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹0.50 million. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million. Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million
Eligible FPI(s)	FPI(s) that are eligible to participate in the Offer in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares
Eligible NRI(s)	NRI(s) eligible to invest under Schedule 3 and Schedule 4 of the FEMA Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares
Employee Reservation Portion	The portion of the Offer being up to [●] Equity Shares of face value ₹1 each, aggregating ₹[●] which shall not exceed [●] % of the post-Offer Equity Share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis

Term	Description
Escrow Account(s)	The ‘no-lien’ and ‘non-interest bearing’ account(s) to be opened with the Escrow Collection Bank(s) and in whose favour the Bidders (excluding ASBA Bidders) will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The bank(s) which are clearing members and registered with SEBI as banker to an issue under the SEBI BTI Regulations, as amended and with whom the Escrow Account(s) will be opened, in this case being [●]
“First Bidder” or “Sole Bidder”	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fresh Issue	Fresh issue of up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹ 1,836.00 million by our Company Our Company, in consultation with the Book Running Lead Managers, may consider Pre-IPO Placement aggregating up to ₹367.20 million, as may be permitted under the applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the allotment of the Equity Shares issued pursuant to the Pre-IPO Placement will be done towards the general corporate purposes portion of the Objects of the Offer, unless auditor certified disclosures are made with regards to its utilization towards the disclosed specific Objects of the Offer. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
“General Information Document” or “GID”	The general information document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, suitably modified and updated pursuant to, among others, the SEBI ICDR Master Circular and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
Gross Proceeds	Gross proceeds of the Fresh Issue that will be available to our Company
JM Financial	JM Financial Limited
Materiality Policy	The policy adopted by our Board in its meeting dated October 11, 2025 for (i) identification of group companies; (ii) determining material outstanding litigations; and (iii) determining outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus
Monitoring Agency	[●], being a credit rating agency registered with SEBI
Monitoring Agency Agreement	The agreement to be entered into between our Company and the Monitoring Agency
Motilal Oswal	Motilal Oswal Investment Advisors Limited
Mutual Fund Portion	Up to 5% of the Net QIB Portion, or [●] Equity Shares of face value of ₹1 each which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Net Offer	The Offer, less the Employee Reservation Portion
Net Proceeds	Proceeds of the Offer, i.e., gross proceeds of the Fresh Issue less the Offer Expenses. For further details regarding the use of the Net Proceeds and the Offer expenses, see “Objects of the Offer” on page 116
Net QIB Portion	The QIB Portion less the number of Equity Shares allocated to the Anchor Investors

Term	Description
“Non-Institutional Bidders” or “NIBs”	All Bidders that are not QIBs or RIBs or Eligible Employees in the Employee Reservation Portion and who have Bid for Equity Shares for an amount of more than ₹0.20 million (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not more than 15% of the Net Offer comprising [●] Equity Shares which shall be available for allocation to NIBs, subject to valid Bids being received at or above the Offer Price, in the following manner: (a) one-third of the portion available to NIBs shall be reserved for Bidders with application size of more than ₹0.20 million and up to ₹1.00 million; and (b) two third of the portion available to NIBs shall be reserved for Bidders with application size of more than ₹1.00 million. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to Bidders in the other sub-category of NIBs, in accordance with the SEBI ICDR Regulations
“Non-Resident Indians” or “NRI(s)”	Person resident outside India, as defined under FEMA, and includes a non-resident Indian, FVCIs and FPIs
Offer	The initial public offer of up to [●] Equity Shares of face value of ₹1 each for cash consideration at a price of ₹[●] each, aggregating up to ₹[●] million, comprising of a Fresh Issue and an Offer for Sale, comprising Net Offer and Employee Reservation Portion. Our Company, in consultation with the Book Running Lead Managers, may consider Pre-IPO Placement aggregating up to ₹367.20 million, as may be permitted under the applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the allotment of the Equity Shares issued pursuant to the Pre-IPO Placement will be done towards the general corporate purposes portion of the Objects of the Offer, unless auditor certified disclosures are made with regards to its utilization towards the disclosed specific Objects of the Offer. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus. The Offer comprises of the Net Offer and Employee Reservation Portion
Offer Agreement	The offer agreement dated October 15, 2025, entered into amongst our Company, each of the Selling Shareholders and the BRLMs, pursuant to which certain arrangements have been agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to 22,564,569 Equity Shares of face value of ₹1 each aggregating up to ₹[●] million by each of the Selling Shareholders. For further information, please see section titled “ <i>The Offer</i> ” on page 69
Offer Price	The final price at which Equity Shares will be Allotted to successful ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company, in consultation with the BRLMs in terms of the Red Herring Prospectus and the Prospectus The Offer Price will be decided by our Company, in consultation with the BRLMs on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale (net of their respective portion of Offer-related expenses)

Term	Description
	and relevant taxes thereon) which shall be available to each of the Selling Shareholders in proportion to the respective portion of Offered Shares of each such Selling Shareholder. For further information about use of the Offer Proceeds, see “ <i>Objects of the Offer</i> ” on page 116
Offered Shares	An aggregate of up to 22,564,569 Equity Shares of face value of ₹1 each aggregating up to ₹[●] million being offered for sale by each of the Selling Shareholders in the Offer for Sale
Pre-IPO Placement	Our Company, in consultation with the Book Running Lead Managers, may consider Pre-IPO Placement aggregating up to ₹367.20 million, as may be permitted under the applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the allotment of the Equity Shares issued pursuant to the Pre-IPO Placement will be done towards the general corporate purposes portion of the Objects of the Offer, unless auditor certified disclosures are made with regards to its utilization towards the disclosed specific Objects of the Offer. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus
Price Band	Price band ranging from a minimum price of ₹[●] per Equity Share (i.e., the Floor Price) and the maximum price of ₹[●] per Equity Share (i.e., the Cap Price) including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall not exceed 120% of the Floor Price The Price Band and the minimum Bid Lot will be decided by our Company, in consultation with the BRLMs, and will be advertised, at least two Working Days prior to the Bid/ Offer Opening Date, in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] edition of [●], a Malayalam daily newspaper (Malayalam being the regional language of Kerala, where our Registered Office is located), each with wide circulation, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Company, in consultation with the BRLMs will finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	The ‘no-lien’ and ‘non-interest bearing’ account to be opened with the Public Offer Account Bank, under Section 40(3) of the Companies Act to receive monies from the Escrow Account and ASBA Accounts on the Designated Date
Public Offer Account Bank(s)	The bank(s) which are a clearing member and registered with SEBI under the SEBI BTI Regulations, as a banker to an issue and with which the Public Offer Account will be opened for collection of Bid Amounts from the Escrow Account and ASBA Accounts on the Designated Date, in this case being [●]
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not less than 75% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to QIBs (including Anchor Investors in which allocation shall be on a discretionary basis, up to a limit of 60.00% of the QIB Portion, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors)
“Qualified Institutional Buyers” or “QIB(s)” or “QIB Bidders”	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations

Term	Description
“Red Herring Prospectus” or “RHP”	The red herring prospectus to be issued by our Company in accordance with Section 32 of the Companies Act and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the Offer Price and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/ Offer Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date
Refund Account(s)	Account to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount shall be made to Anchor Investors
Refund Bank(s)	The bank(s) which are clearing members registered with SEBI under the SEBI BTI Regulations, with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	The stock brokers registered under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992, as amended with SEBI and the Stock Exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids in terms of SEBI ICDR Master Circular and the UPI Circulars
Registrar Agreement	The registrar agreement dated October 15, 2025, entered into, amongst our Company, each of the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
“Registrar and Share Transfer Agents” or “RTAs”	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the SEBI RTA Master Circular, as per the list available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), and the UPI Circulars
“Registrar to the Offer” or “Registrar”	KFin Technologies Limited
Resident Indian	A person resident in India, as defined under FEMA
“Retail Individual Bidder(s)” or “RIB(s)”	Individual Bidders, whose Bid Amount for the Equity Shares is not more than ₹0.20 million in any of the bidding options in the Offer (including HUFs applying through their karta and Eligible NRIs), and does not include NRIs other than Eligible NRIs
Retail Portion	The portion of the Offer being not more than 10% of the Net Offer consisting of up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹[●] million, which shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot (subject to availability in the Retail Portion), subject to valid Bids being received at or above the Offer Price
Revision Form	The forms used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and NIBs are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. RIBs and Eligible Employees bidding in the Employee Reservation Portion can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date
SCORES	SEBI complaints redress system, a centralized web-based complaints redressal system launched by SEBI
“Self-Certified Syndicate Bank(s)” or “SCSB(s)”	The banks registered with SEBI, which offer the facility of ASBA services: (i) in relation to ASBA (other than through UPI Mechanism), where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as applicable and updated from time to time and at such other websites as may be prescribed by SEBI from time to time; and (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time.

Term	Description
	In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time. In accordance with the SEBI ICDR Master Circular, UPI Bidders using UPI Mechanism may apply through the SCSBs and mobile applications (apps) whose name appears on the SEBI website. The said list is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, as updated from time to time.
Share Escrow Agent	Share escrow agent to be appointed pursuant to the Share Escrow Agreement, namely, [●]
Share Escrow Agreement	The share escrow agreement to be entered into amongst our Company, each of the Selling Shareholders, and the Share Escrow Agent in connection with the transfer of the respective portion of the Offered Shares by each Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees in accordance with the Basis of Allotment
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Sponsor Banks	[●] and [●], being Bankers to the Offer, appointed by our Company to act as conduits between the Stock Exchanges and NPCI in order to push the mandate collect requests and/ or payment instructions of the UPI Bidders using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars
Stock Exchanges	Together, BSE and NSE
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the Book Running Lead Managers and the Syndicate Members, to collect ASBA Forms and Revision Forms.
“Syndicate” or “Members of the Syndicate”	Together, the BRLMs and the Syndicate Members
Syndicate Agreement	The syndicate agreement to be entered into amongst our Company, each of the Selling Shareholders, the BRLMs, the Registrar to the Offer and the Syndicate Members, in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Member(s)	Merchant bankers or stockbrokers (other than the BRLMs) registered with SEBI who are permitted to carry out activities as an underwriter, namely, [●]
“TKC”	The Knowledge Company LLP
“TKC Report”	Industry report titled ‘ <i>Industry Report on PU Foam, Mattress, Home Comfort Accessories and Furniture Market in India</i> ’ dated October 13, 2025 prepared and issued by TKC. The TKC Report has been exclusively commissioned and paid for by our Company in connection with the Offer pursuant to the engagement letter dated July 14, 2025
Underwriters	[●]
Underwriting Agreement	The underwriting agreement to be entered into amongst our Company, the Selling Shareholders and the Underwriters on or after the Pricing Date but prior to filing of the Prospectus with the RoC, as applicable
UPI	Unified payments interface, which is an instant payment mechanism, developed by NPCI
UPI Bidder(s)	Collectively, individual Bidders applying as (i) RIBs in the Retail Portion; (ii) Eligible Employee Bidding in Employee Reservation Portion; and (iii) NIBs with an application size of up to ₹0.50 million in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and RTAs Pursuant to SEBI ICDR Master Circular, all individual Bidders applying in public issues where the application amount is up to ₹0.50 million shall use the UPI Mechanism and

Term	Description
	shall provide their UPI ID in the Bid cum Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, (to the extent that these circulars are not rescinded by the SEBI ICDR Master Circular and SEBI RTA Master Circular), SEBI RTA Master Circular (to the extent that it pertains to the UPI Mechanism), SEBI ICDR Master Circular and the circulars issued by the Stock Exchanges in this regard, including the circular issued by the NSE having reference no. 25/2022 dated August 3, 2022, and the circular issued by BSE having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidders by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS on directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidders initiated by the Sponsor Bank(s) to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by an UPI Bidders in accordance with the UPI Circulars to make an ASBA Bid in the Offer
UPI PIN	Password to authenticate UPI transaction
“Wilful Defaulter” or “Fraudulent Borrower”	Wilful defaulter or fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
Working Day	All days on which commercial banks in Mumbai are open for business. In respect of announcement of Price Band and Bid/ Offer Period, Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. In respect of the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, Working Day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays in India, as per circulars issued by SEBI, including the UPI Circulars

Technical, industry and business-related terms or abbreviations

Term	Description
AI	Artificial Intelligence
CAGR	Compounded Annual Growth Rate
COCO Stores	Exclusive retail stores that retail products of the ‘Duroflex’ and ‘Sleepyhead’ brand and are owned and operated by the Company, from premises leased, sub-leased, licensed or constructed on leased land, wherein the Company operates with complete control over pricing, service quality and customer engagement
CRM	Customer Relationship Management
CSR	Corporate Social Responsibility
D2C	Direct-to-consumer
EBO	Exclusive Brand Outlet
ESOP	Employee Stock Options
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GNDI	Gross National Disposable Income

Term	Description
GST	Goods and Services Tax
ILD	Indentation Load Deflection
IT	Information Technology
MBO	Multi-Brand Outlet
MSME	Micro, Small and Medium Enterprises
OEM	Original Equipment Manufacturer
PFCE	Private Final Consumption Expenditure
PU	Polyurethane
R&D	Research and development
REIT	Real Estate Investment Trust
RERA	Real Estate Regulation Act, 2016
ROCE	Return on Capital Employed
SKU	Stock Keeping Units

Conventional and general terms or abbreviations

Term	Description
“₹” or “Rs.” Or “Rupees” or “INR”	Indian rupees
AIFs	Alternative investments funds, as defined in, and registered under the SEBI AIF Regulations
AGM	Annual general meeting
BSE	BSE Limited
BNS	Bharatiya Nyaya Sanhita, 2023
CAGR	Compounded annual growth rate
Category I AIF(s)	AIFs registered as “Category I alternative investment funds” under the SEBI AIF Regulations
Category I FPI(s)	FPIs registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II AIF(s)	AIFs registered as “Category II alternative investment funds” under the SEBI AIF Regulations
Category II FPI(s)	FPIs registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III AIF(s)	AIFs registered as “Category III alternative investment funds” under the SEBI AIF Regulations
Capital employed	Capital employed is calculated as the sum of total equity and current and non-current borrowings less goodwill and other intangible assets, intangible assets under development and deferred tax assets
CDSL	Central Depository Services (India) Limited
CGST Act	Central Goods and Services Tax Act, 2017, as amended
CIN	Corporate identity number
“Companies Act” or “Companies Act, 2013”	Companies Act, 2013, as applicable, along with the relevant rules, regulations, clarifications and modifications made thereunder
Consolidated FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT under DPIIT File Number 5(2)/2020-FDI Policy dated October 15, 2020, effective from October 15, 2020
Copyright Act	Copyright Act, 1957, as amended
CrPC	Code of Criminal Procedure, 1973
Depositories	Together, NSDL and CDSL
Depositories Act	Depositories Act, 1996, as amended
DIN	Director identification number
DP ID	Depository participant’s identification
“DP” or “Depository Participant”	A depository participant as defined under the Depositories Act
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
EBIT	EBIT is calculated as profit/(loss) attributable to owners of our Company for the period/year plus tax expenses plus finance costs
EGM	Extraordinary general meeting
EPS	Earnings per equity share
FCNR	Foreign currency non-resident
FDI	Foreign direct investment

Term	Description
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder, as amended
FEMA NDI Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended
“Financial Year” or “Fiscal” or “Fiscal Year” or “FY”	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FIR	First information report
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
“GoI” or “Government” or “Central Government”	Government of India
GST	Goods and services tax
HUF	Hindu undivided family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards, as issued by the International Accounting Standards Board
Income Tax Act	The Income-tax Act, 1961, as amended
“Ind AS” or “Indian Accounting Standards”	Indian Accounting Standards notified under Section 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules, 2015, and other relevant provisions of the Companies Act
Ind AS 24	Indian Accounting Standard 24 – Related Party Disclosures
Ind AS 34	Indian Accounting Standard 34 – Interim Financial reporting
Ind AS 37	Indian Accounting Standard 37– Provisions, Contingent Liabilities and Contingent Assets
India	Republic of India
“Indian GAAP” or “IGAAP”	Accounting Standards notified under Section 133 of the Companies Act and referred to in the Companies (Accounting Standards) Rules, 2014, as amended and Companies (Accounting Standards) Amendment Rules, 2016
IPC	Indian Penal Code, 1860, as amended
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
IT	Information technology
IT Act	The Information Technology Act, 2000, as amended
KYC	Know your customer
LLP	Limited liability partnership
MCA	Ministry of Corporate Affairs, Government of India
MSMEs	Micro, small and medium enterprises
Mutual Fund(s)	Mutual funds registered under the SEBI (Mutual Funds) Regulations, 1996, as amended
N/A	Not applicable
NACH	National automated clearing house
“NAV” or “Net Asset Value”	Net asset value
Net Asset Value per equity share	Net Asset Value per equity share represents Net Worth at the end of the period/ year divided by number of equity shares outstanding at the end of the period/year end. Number of equity shares outstanding at the end of the period/year is an aggregate of number of equity shares considering dilutive number of shares and adjusted for equity shares issued due to stock split during the period / year and bonus issue of equity shares.
NBFC	Non-banking financial companies
NEFT	National electronic fund transfer
Net Worth	As per Regulation 2(1)(hh) of SEBI ICDR Regulations, as amended, Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated consolidated statement of assets and liabilities, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Further, Net Worth is calculated as sum of equity share capital and other equity excluding capital reserve, other comprehensive income and demerger deficit reserve
NI Act	Negotiable Instruments Act, 1881, as amended
NOC	No-objection certificate

Term	Description
NRE	Non- resident external
NRI	A non-resident Indian as defined under the FEMA NDI Rules
NRO	Non-resident ordinary
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
“OCB” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
p.a.	Per annum
P/E Ratio	Price to earnings ratio
PAN	Permanent account number
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended
Regulation S	Regulation S under the U.S. Securities Act
Return on Net Worth	Return on Net Worth (%) is computed as profit/(loss) for the period/year divided by Net Worth as at the end of the period/year. As per Regulation 2(1)(hh) of SEBI ICDR Regulations, as amended, Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated consolidated statement of assets and liabilities, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Further, Net Worth is calculated as sum of equity share capital and other equity excluding capital reserve, other comprehensive income and demerger deficit reserve
RTGS	Real time gross settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI FUTP Regulations	Securities and Exchange Board of India (Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Master Circular	SEBI master circular bearing number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI RTA Master Circular	SEBI master circular bearing number SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025, as amended
SEBI SBEB & SE Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations

Term	Description
SME	Small and medium enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended
State Government	The government of a state in India
Stock Exchanges	BSE and NSE
STT	Securities transaction tax
“Systemically Important NBFC” or “NBFC-SI”	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
TAN	Tax deduction account number
Trade Marks Act	Trade Marks Act, 1999, as amended
“U.S.” or “USA” or “United States”	United States of America including its territories and possessions, any State of the United States, and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United States
U.S. SEC	Securities and Exchange Commission of the United States of America
U.S. QIBs	“Qualified institutional buyers”, as defined in Rule 144A. For the avoidance of doubt, the term “U.S. QIBs” does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”
U.S. Securities Act	The U.S. Securities Act of 1933, as amended
“USD” or “US\$”	United States Dollars
VCFs	Venture capital funds as defined in and registered with the SEBI under the SEBI VCF Regulations
“Year” or “calendar year”	Unless the context otherwise requires, shall mean the 12 months period ending December 31

Key Performance Indicators (“KPIs”)

KPI	Description
GAAP Measures	
Revenue from operations	Revenue from operations is the revenue from operations for the period/year
Revenue from operations growth	Growth of revenue from operations is calculated as revenue from operations of the relevant fiscal year less revenue from operations of the corresponding previous fiscal year, divided by revenue from operations of the corresponding previous fiscal year multiplied by 100
Profit / (Loss) for the period / year	Profit / (loss) for the period / year
Net cash generated from operating activities	Net cash generated from operating activities
Product category wise revenue	Product category wise revenue represents the disaggregation of product sales by major product categories
Advertisement and sales promotion expenses as a percentage of revenue from operations	Advertisement and sales promotion expenses as a percentage of revenue from operations is computed as advertisement and sales promotion expenses for the period/year as a percentage of revenue from operations for the period/year
Non-GAAP Measures	
Gross Profit	Gross profit is calculated as revenue from operations less cost of goods sold. Cost of goods sold is the sum of cost of materials consumed, purchase of stock-in-trade and changes in inventories of finished goods, semi-finished goods and stock in trade (excluding certain other direct expenses such as employee benefit expenses and other expenses)
Gross profit margin	Gross profit margin is calculated as gross profit divided by revenue from operations
EBITDA	EBITDA is calculated as profit/(loss) for the period/year plus tax expense plus finance costs plus depreciation and amortisation expense
PAT Margin	PAT Margin is calculated as profit / (loss) for the period/year as a percentage of revenue from operations
EBITDA Margin	EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations
EBITDA growth	Growth of EBITDA is calculated as EBITDA of the relevant fiscal year less EBITDA of the corresponding previous fiscal year, divided by EBITDA of the corresponding previous fiscal year multiplied by 100
Return on equity (“RoE”)	Return on equity is calculated as profit/(loss) for the period/year attributable to owners of the Company divided by average total equity attributable to owners of the Company as at period/year end

KPI	Description
Return on capital employed (“ROCE”)	Return on capital employed is calculated as (earnings before interest and taxes (“EBIT”) divided by capital employed. EBIT is calculated as profit/(loss) for the period/year attributable to owners of the Company plus tax expenses plus finance costs. Capital employed being computed as the sum of total equity and current and non-current borrowings less goodwill and other intangible assets, intangible assets under development and deferred tax assets
Net working capital days	Net working capital days is calculated as (average net working capital divided by revenue from operations)*no. of days in the year. However, for the three months period ended June 30, 2025, net working capital days is calculated as (average net working capital divided by revenue from operations)*91. Net working capital is calculated as inventories plus trade receivables minus trade payables. Average net working capital is calculated as the (net working capital as of the current year/period + net working capital as of the previous year/period)/2
Operational Measures	
Product category wise volume	Product category wise volume is calculated as the total volume of mattress, branded foam and furniture sold in the relevant period / year
COCO Stores at the end of the period/year	COCO Stores at the end of the relevant period is the total number of operational COCO stores at the end of relevant period/year
Trade stores	Trade stores is calculated as sum of total trade stores at the end of relevant period/ year
Channel wise revenue	Channel revenue is calculated as revenue from offline / online channel for the period / year as a percentage of revenue from operations

OFFER DOCUMENT SUMMARY

The following is a general summary of certain disclosures and the terms of the Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including “Risk Factors”, “The Offer”, “Capital Structure”, “Objects of the Offer”, “Industry Overview”, “Our Business”, “Our Promoters and Promoter Group”, “Restated Consolidated Financial Information”, “Outstanding Litigation and Material Developments”, “Offer Procedure” and “Description of Equity Shares and Terms of the Articles of Association” on pages 32, 69, 85, 116, 146, 185, 264, 269, 390, 432 and 453, respectively.

Summary of the primary business of our Company

We are a provider of sleep and comfort solutions in India, with a diversified omni-channel distribution network. We manufacture a wide range of products, including foam, mattresses, sofas, recliners, beds, pillows, accessories and other furnishings. We have technology enabled and vertically integrated manufacturing operations, with seven manufacturing facilities located across India and the ability to produce all of our mattresses and foam in-house. We have developed a ‘house of brands’ architecture in the sleep and comfort solutions space, with each brand catering to different customer segments, allowing us to capture the full spectrum of mattress customers in India.

For further details, see “Our Business” on page 185.

Summary of the industry in which our Company operates

In Fiscal 2025, India’s PU foam market is estimated at approximately ₹198.00 billion, growing from ₹122.00 billion in Fiscal 2020. The market is projected to reach ₹366.00 billion by Fiscal 2030. The Indian mattress market has evolved from a fragmented, traditional sector dominated by cotton and coir mattresses to a dynamic, innovation-driven industry with diverse products. The modern mattress market has grown at a CAGR of approximately 8.6% from ₹108 billion in Fiscal 2020 to ₹163 billion in Fiscal 2025 and is expected to grow at a CAGR of approximately 10.7% till Fiscal 2030 to reach ₹271 billion.

For further information, see “Industry Overview” on page 146.

Our Promoters

Our Promoters are Jacob Joseph George, Mathew Chandy, Mathew George and Mathew Antony Joseph. For further details, see “Our Promoters and Promoter Group” on page 264.

Offer Size

The details of the Offer are set out below:

Offer⁽¹⁾⁽²⁾⁽³⁾	Up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹[●] million
of which:	
(i) Fresh Issue⁽¹⁾	Up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹1,836.00 million
(ii) Offer for Sale⁽²⁾	Up to 22,564,569 Equity Shares of face value of ₹1 each aggregating up to ₹[●] million
The Offer comprises:	
Employee Reservation Portion⁽⁴⁾	Up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹[●] million
Net Offer	Up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹[●] million

⁽¹⁾ The Offer has been authorised by our Board pursuant to the resolution passed at its meeting dated October 11, 2025, and the Fresh Issue has been approved by our Shareholders pursuant to a special resolution passed at their extraordinary general meeting dated October 11, 2025.

⁽²⁾ Each of the Selling Shareholders, severally and jointly, confirms that it is eligible to participate in the Offer for Sale in accordance with Regulation 8 of the SEBI ICDR Regulations as on the date of this Draft Red Herring Prospectus. Each of the Selling Shareholders, severally and not jointly, confirms that its respective portion of the Offered Shares will be offered for sale in the Offer in accordance with Regulation 8A of the SEBI ICDR Regulations, to the extent applicable to such Selling Shareholder, as on the date of this Draft Red Herring Prospectus. Our Board has taken on record the consents of each of the Selling Shareholders to participate in the Offer for Sale, pursuant to its resolution dated October 15, 2025. For details on the authorisation and consent of each of the Selling Shareholders in relation to the Offered Shares, see “The Offer” and “Other Regulatory and Statutory Disclosures” on pages 69 and 408 respectively.

⁽³⁾ Our Company, in consultation with the Book Running Lead Managers, may consider Pre-IPO Placement aggregating up to ₹367.20 million, as may be permitted under the applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the allotment of the Equity Shares issued pursuant to the Pre-IPO Placement will be done towards the general corporate purposes portion of the Objects of the Offer, unless auditor certified disclosures are made with regards to its utilization towards the disclosed specific Objects of the Offer. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

⁽⁴⁾ The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have

Bid in excess of ₹0.20 million, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹0.50 million), shall be added to the Net Offer. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Issue and such Bids will not be treated as multiple Bids subject to applicable limits.

The Offer and Net Offer shall constitute [●]% and [●]% of the post Offer paid up Equity Share capital of our Company. For further details, see “The Offer” and “Offer Structure” on pages 69 and 428, respectively.

Objects of the Offer

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

Particulars	Amount (in ₹ million)*
Capital expenditure to be incurred by our Company for setting up of New COCO Stores	504.40
Expenditure for lease, sub-lease rent and license fee payments for our existing COCO Stores and Manufacturing Facility – VII	421.32
Marketing and advertisement expenses towards enhancing the awareness and visibility of our brand	451.88
General corporate purposes [#]	[●] [#]
Total*	[●]

* To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. Our Company, in consultation with the Book Running Lead Managers, may consider Pre-IPO Placement aggregating up to ₹367.20 million, as may be permitted under the applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the allotment of the Equity Shares issued pursuant to the Pre-IPO Placement will be done towards the general corporate purposes portion of the Objects of the Offer, unless auditor certified disclosures are made with regards to its utilization towards the disclosed specific Objects of the Offer. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

[#] To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

For further details, see “Objects of the Offer” on page 116.

Aggregate pre-Offer shareholding of our Promoters, members of the Promoter Group and Investor Selling Shareholders as a percentage of our paid-up Equity Share capital

The aggregate pre-Offer shareholding, of each of our Promoters (also Selling Shareholders), members of the Promoter Group and the Investor Selling Shareholders as on the date of this Draft Red Herring Prospectus is set forth below:

Name of the Shareholder	Number of Equity Shares of face value of ₹1 each	Number of Equity Shares of face value of ₹1 each on a fully diluted basis [^]	Percentage of pre-Offer paid-up Equity Share capital on a fully diluted basis (%) [^]
Promoters			
Jacob Joseph George*	15,722,656	15,722,656	16.36
Mathew Chandy*	15,741,408	15,741,408	16.38
Mathew George*	15,236,384	15,236,384	15.85
Mathew Antony Joseph*	16,835,664	16,835,664	17.51
Promoter Group			
Nil			
Investor Selling Shareholders			
Lighthouse India Fund III, Limited	13,505,168	13,505,168	14.05
Lighthouse India III Employee Trust	143,728	143,728	0.15

[^] Includes Equity Shares to be allotted pursuant to the exercise of all outstanding options that are vested as on the date of this Draft Red Herring Prospectus, under the ESOP Schemes, as applicable.

* Also one of the Selling Shareholders.

[#] Subject to completion of the Offer and finalization of the Allotment.

Aggregate pre-Offer and post-Offer Shareholding of our Promoters, members of the Promoter Group and additional top 10 Shareholders of the Company

The aggregate pre-Offer and post-Offer shareholding, of each of our Promoters, members of the Promoter Group and additional top 10 Shareholders (apart from our Promoters) as on date of the Price Band advertisement and as at the date of Allotment is set forth below:

Name of Shareholders	Pre-Offer shareholding at the date of the price band advertisement		Post-Offer shareholding as at Allotment ⁽³⁾			
			At the lower end of the Price Band (₹[●])		At the upper end of the price band (₹[●])	
	Number of Equity Shares of face value of ₹1 each	Percentage of pre- Offer paid-up Equity Share capital on a fully diluted basis (in %) ⁽¹⁾	Number of Equity Shares of face value of ₹1 each ⁽²⁾	Percentage of post- Offer paid-up Equity Share capital on a fully diluted basis (in %) ^{*(2)}	Number of Equity Shares of face value of ₹1 each ⁽²⁾	Percentage of post- Offer paid-up Equity Share capital on a fully diluted basis (in %) ⁽²⁾
Promoters*						
Jacob Joseph George	[●]	[●]	[●]	[●]	[●]	[●]
Mathew Chandy	[●]	[●]	[●]	[●]	[●]	[●]
Mathew George	[●]	[●]	[●]	[●]	[●]	[●]
Mathew Antony Joseph	[●]	[●]	[●]	[●]	[●]	[●]
Promoter Group						
[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]
Additional top 10 Shareholders						
[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]

Notes:

* Also Selling Shareholders.

⁽¹⁾ Includes Equity Shares to be allotted pursuant to the exercise of all outstanding options that are vested as on the date of this Draft Red Herring Prospectus, under the ESOP Schemes, as applicable.

⁽²⁾ To be filled in at the Allotment stage.

⁽³⁾ To be updated at the Prospectus stage. Based on the Offer Price of ₹ [●] and subject to finalization of the Basis of Allotment.

For further details of the Offer, see “Capital Structure” on page 85.

Summary of Selected Financial Information

The following details of selected financial information as set out under SEBI ICDR Regulations are derived from the Restated Consolidated Financial Information as at for the three months period ended June 30, 2025, and for the Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023:

Particulars	(in ₹ million, unless otherwise stated)			
	As at and for the three months period ended June 30, 2025*	As at and for the Financial Year ended March 31, 2025	As at and for the Financial Year ended March 31, 2024	As at and for the Financial Year ended March 31, 2023
Equity share capital	59.76	59.76	59.76	59.76
Revenue from operations	2,925.19	11,342.50	10,952.96	10,574.87
Total income	2,969.48	11,529.49	11,063.95	10,702.70
Profit / (Loss) for the period / year	56.39	471.63	112.00	(154.74)
Basic earnings per share (in ₹) ⁽¹⁾	0.59	4.93	1.17	(1.62)
Diluted earnings per share (in ₹) ⁽²⁾	0.59	4.93	1.17	(1.62)
Total borrowings	76.43	97.97	232.16	1,541.01
Net Worth ⁽³⁾	4,032.17	3,988.84	3,491.08	3,362.70
Return on Net Worth (%) ⁽⁴⁾	1.40%	11.82%	3.21%	(4.60%)
Net Asset Value per equity share (in ₹) ⁽⁵⁾	42.12	41.67	36.41	35.17

*Not annualised.

Notes:

⁽¹⁾ Basic earnings per share is calculated by dividing the profit/(loss) for the period/year attributable to equity Shareholders by the weighted average number of Equity Shares outstanding during the period/year.

⁽²⁾ Diluted earnings per share is calculated by dividing profit/(loss) for the period/year attributable to equity Shareholders by the weighted average number of Equity Shares outstanding during the period/year adjusted for the effect of potential equity shares on employee stock option outstanding.

⁽³⁾ As per Regulation 2(1)(hh) of SEBI ICDR Regulations, as amended, Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated consolidated statement of assets and liabilities, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Further, Net Worth is calculated as sum of equity share capital and other equity excluding capital reserve, other comprehensive income and demerger deficit reserve.

⁽⁴⁾ Return on Net Worth (%) is computed as profit/(loss) for the period/year divided by Net Worth as at the end of the period/year.

⁽⁵⁾ Net Asset Value per equity share represents Net Worth at the end of the period/ year divided by number of equity shares outstanding at the end of the period/year end. Number of equity shares outstanding at the end of the period/year is an aggregate of number of equity shares considering dilutive number of shares and adjusted for equity shares issued due to stock split during the period / year and bonus issue of equity shares.

For details of reconciliation, please refer to “Other Financial Information - Reconciliation of Non-GAAP Financial Measures” on page 347.

For further details, see “Restated Consolidated Financial Information” and “Other Financial Information” on pages 269 and 346, respectively.

Qualifications of the Statutory Auditor which have not been given effect to in the Restated Consolidated Financial Information

There are no qualifications of the Statutory Auditor which have not been given effect to in the Restated Consolidated Financial Information.

Summary table of outstanding litigation

A summary of outstanding litigation proceedings as on the date of this Draft Red Herring Prospectus as disclosed in the section titled “Outstanding Litigation and Other Material Developments” on page 390, in terms of the SEBI ICDR Regulations and the Materiality Policy as of the date of this Draft Red Herring Prospectus is provided below:

Category of individuals / entities	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigations	Aggregate amount involved (in ₹ million) ⁽¹⁾
Company						
By our Company	3 [^]	NA	NA	NA	Nil	9.64
Against our Company	2	11 [@]	Nil	NA	2	707.41 [*]
Subsidiaries						
By our Subsidiaries	Nil	NA	NA	NA	Nil	Nil
Against our Subsidiaries	1	2 [§]	Nil	NA	Nil	145.19 ^{&}
Directors[#]						
By our Directors	Nil	NA	NA	NA	Nil	Nil
Against our Directors	Nil	Nil	Nil	NA	Nil	Nil
Promoters						
By our Promoters	Nil	NA	Nil	NA	Nil	Nil
Against our Promoters	1	Nil	Nil	Nil	1	8.32

⁽¹⁾ To the extent ascertainable and quantifiable.

[#] Other than the Directors who are also the Promoters of our Company.

[^] Includes cases filed under the NI Act.

[@] Includes 1 direct tax litigation and 10 indirect tax litigations.

[§] Includes 2 direct tax litigations.

^{*} Excludes ₹15.73 million paid by our Company as mandatory pre-deposits as protest. For details see “Outstanding Litigation and Other Material Developments - Material Tax litigation - Material tax litigation involving our Company - Material indirect tax litigation involving our Company” on page 395.

[&] Excludes ₹29.03 million paid by Shivarna as mandatory pre-deposits as protest. For details see “Outstanding Litigation and Other Material Developments - Material Tax litigation - Material tax litigation involving our Subsidiaries - Material direct tax litigation involving our Subsidiaries” on page 398.

Category of individuals	Criminal proceedings	Statutory or regulatory proceedings	Aggregate amount involved (in ₹ million) ⁽¹⁾
Key Managerial Personnel⁽²⁾			
By our Key Managerial Personnel	Nil	N.A.	Nil
Against our Key Managerial Personnel	2	Nil	Nil
Senior Management			
By our Senior Management	Nil	N.A.	Nil
Against our Senior Management	Nil	Nil	Nil

⁽¹⁾ To the extent ascertainable and quantifiable.

⁽²⁾ Other than the Key Managerial Personnel who are also the Promoters of our Company.

As on the date of this Draft Red Herring Prospectus, our Group Companies are not parties to any pending litigation which will have a material impact on our Company.

For further details, see “Outstanding Litigation and Material Developments” on page 390.

Risk factors

The following is a summary of the top ten risk factors in relation to our Company:

Sr. No	Risk Factors
1.	Our business and results of operations are significantly dependent on our Brands, under which we offer a wide range of products, including mattresses, foam and furniture and any impairment, dilution or damage to our Brands in any manner may adversely affect our business reputation, results of operations, financial condition and cash flows
2.	We derive a significant portion of our revenue from our mattress and branded foam product categories. Our revenue from the sale of mattress accounted for 54.74%, 51.41%, 51.79% and 55.54% of our revenue from operations in the three months period ended June 30, 2025 and Fiscals 2025, 2024 and 2023, respectively. Our revenue from the sale of branded foam accounted for 36.75%, 39.37%, 36.62% and 33.69% of our revenue from operations in the three months period ended June 30, 2025 and Fiscals 2025, 2024 and 2023, respectively. Any shifts in customer preferences, any disruption in the supply chain, or heightened competition in these product categories could adversely affect our business, results of operations, financial condition and cash flows
3.	We are exposed to risks relating to our general trade distribution channels and our inability to effectively manage our general trade distribution channels could adversely affect our business, financial condition and results of operations, including our network of trade stores
4.	We are exposed to risks relating to our e-commerce channels, such as technical issues that may affect ecommerce platforms, changes in customer behaviour and platform disruptions
5.	Our COCO Stores may not perform as expected and we may be unable to successfully expand our COCO Store network, which may adversely impact our business, financial condition and results of operations
6.	The premises of all of our COCO Stores are leased or sub-leased or are on leave and license basis. If we fail to renew these leases and leave and license agreements on competitive terms or if we are unable to manage our rental costs, our business, results of operations, financial condition and cash flows would be adversely affected
7.	Our business is dependent on our manufacturing facilities and we are subject to certain risks in our manufacturing processes. Any unscheduled, unplanned or prolonged disruption of our manufacturing operations could materially and adversely affect our business, financial condition, cash flows and results of operations
8.	Under-utilization of our manufacturing capacities over extended periods, or significant underutilization in the short term could increase our cost of production and our operating costs and adversely impact our business, growth prospects and future financial performance
9.	We depend on certain key suppliers to procure our raw materials. Further, we do not have long term agreements with suppliers for our raw materials and an increase in the cost of or a shortfall in the availability of such raw materials could have an adverse effect on our business, results of operations, financial condition and cash flows
10.	Any failure in our quality control processes or if the quality of our products does not meet our customers' expectations, could have an adverse effect on our business, results of operations, financial condition and cash flows

Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For further details on the afore-mentioned risk factors, please see, “*Risk Factors*” on page 32.

Summary of contingent liabilities

The details of our contingent liabilities as on June 30, 2025, as derived from the Restated Consolidated Financial Information are set forth in the table below:

(₹ in million)	
Particulars	As at June 30, 2025
Claims against companies not acknowledged as debts	
Income tax cases	148.63
Goods and services tax*	350.61

* Matters relating to incorrect availment of input tax credit, mismatch between GSTR9 and GSTR3B and mismatch between GSTR2A and GSTR3B

Notes:

- (a) In the year 1999-2000, the management had transferred the loans of ₹ 4.28 million and ₹ 15.06 million taken from Indian Jute Industries Research (“IJIRA”) and Technology Information, Forecasting and Assessment Council (“TIFAC”) respectively to capital reserve. These loans were conditional loans and were to be repaid only if the Group succeeded in commercialising the products developed by the research activities. The group had not succeeded in commercialising the products developed by the research activities and the Board of directors of the group on the basis of the legal opinion and based on the technical report are of the opinion that the project did not result in the commercialisation of any product and as such the loan from IJIRA and TIFAC is not repayable. TIFAC had referred the matter to Arbitration. The arbitration order was set aside by the District Court Alappuzha and referred back to the Arbitrator. Subsequent to the same, TIFAC had requested the group to enter into a settlement. The group is of the view that the amount is not payable as the project was not successful. The management has not received any communication from IJIRA and has proposed to make legal representation to get a no due certificate. The management is of the view that the matter will be settled judicially and hence nature of the liability remains unchanged as compared to the previous year.
- (b) In February 2019, the Hon'ble Supreme Court of India, in its judgement, had clarified the applicability of allowances that should be considered within the expression of 'basic wages' to measure the provident fund contribution under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 (“EPF Act”). The Company and its Subsidiaries (“Group”) had been legally advised that there were interpretative challenges on the application of

judgement retrospectively and as such the Group did not believe that there is any probable obligation for the past periods. The Group does not expect any material impact for the same.

- (c) Corporate guarantee given to Yes Bank Limited for the term loan taken by Shivaarna Technofoams Private Limited, a subsidiary for a facility amount of ₹ 251.90 million.

For further details of contingent liabilities as on June 30, 2025, see “Restated Consolidated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 269 and 352, respectively.

Summary of related party transactions

A summary of related party transactions as at and for the three months period ended June 30, 2025, and for the Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023, are as follows:

(₹ in million, unless otherwise stated)

Particulars of the related party	Three months period ended June 30, 2025	% of revenue from operations	Financial Year ended March 31, 2025	% of revenue from operations	Financial Year ended March 31, 2024	% of revenue from operations	Financial Year ended March 31, 2023	% of revenue from operations
Enterprises in which Key Managerial Personnel are interested								
Legal and professional fee	-	Nil	4.00	0.04%	-	Nil	-	Nil
Purchases	-	Nil	-	Nil	49.04	0.45%	49.37	0.47%
Rental Income	-	Nil	-	Nil	0.68	0.01%	0.90	0.01%
Sale of property, plant and equipment and capital work in-progress	-	Nil	-	Nil	-	Nil	0.23	0.00%
Rental expense	0.15	0.01%	-	Nil	-	Nil	-	Nil
With Key Managerial Personnel								
Professional fees	0.54	0.02%	1.95	0.02%	1.95	0.02%	1.95	0.02%
Expense reimbursements	0.09	0.00%	0.37	0.00%	0.08	0.00%	0.29	0.00%
Purchase of equity shares of Vazhathoppil Enterprises Private Limited	-	Nil	0.10	0.00%	-	Nil	-	Nil
Short-term employee benefits	24.32	0.83%	92.07	0.81%	48.72	0.44%	38.50	0.36%
Share-based payment expense	3.87	0.13%	16.76	0.15%	5.63	0.05%	1.86	0.02%
Post-employment benefits	0.19	0.01%	0.61	0.01%	1.14	0.01%	1.47	0.01%
Relative of Key Managerial Personnel								
Rental expense	0.16	0.01%	0.60	0.01%	0.60	0.01%	0.60	0.01%

For notes relating to the above and details of other related party transactions, see “Restated Consolidated Financial Information – Notes to Restated Consolidated Financial Information – 46. Related party disclosures” on page 336.

Financing Arrangements

Our Promoters, members of our Promoter Group, our Directors and their relatives have not financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Weighted average price at which the Equity Shares were acquired by our Promoters (also the Selling Shareholders) and Investor Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus

The weighted average price at which the Equity Shares were acquired by our Promoters (also the Selling Shareholders) and the Investor Selling Shareholders, in the last one year preceding the date of this Draft Red Herring Prospectus is as follows:

Name	Number of Equity Shares of face value of ₹1 each acquired in the last one year	Weighted average price of acquisition per Equity Share* (in ₹)
Promoters[#]		
Jacob Joseph George	5,995,996	1.20
Mathew Chandy	6,003,028	1.20
Mathew George	5,813,644	1.24
Mathew Antony Joseph	6,413,374	1.12
Investor Selling Shareholders		
Lighthouse India Fund III, Limited	5,064,438	Nil
Lighthouse India III Employee Trust	53,898	Nil

* As certified by P K Shah & Co, Chartered Accountants, having firm registration number 308150E, by way of their certificate dated October 15, 2025.

[#] Also Selling Shareholders.

For further details, see “Capital Structure – Notes to the Capital Structure – Share capital history of our Company – Equity share capital” on page 86.

Average cost of acquisition of Equity Shares of our Promoters and the Selling Shareholders

The average cost of acquisition of Equity Shares by the Promoters and the Selling Shareholders as at the date of this Draft Red Herring Prospectus is set forth below:

Category of Shareholder	Number of Equity Shares of face value of ₹1 each	Number of Equity Shares of face value of ₹1 on a fully diluted basis	Average cost of acquisition per Equity Share on a fully diluted basis(in ₹)
Promoters*			
Jacob Joseph George	15,722,656	15,722,656	1.57
Mathew Chandy	15,741,408	15,741,408	2.63
Mathew George	15,236,384	15,236,384	1.61
Mathew Antony Joseph	16,835,664	16,835,664	2.57
Investor Selling Shareholders			
Lighthouse India Fund III, Limited	13,505,168	13,505,168	114.23
Lighthouse India III Employee Trust	143,728	143,728	114.23

As certified by P K Shah & Co, Chartered Accountants, having firm registration number 308150E, by way of their certificate dated October 15, 2025.

* Also Selling Shareholders.

Details of price at which specified securities were acquired in the last three years preceding the date of this Draft Red Herring Prospectus by our Promoters, members of the Promoter Group, the Selling Shareholders with rights to nominate directors on the Board or other rights in our Company

Except as stated below, there have been no specified securities that were acquired in the last three years preceding the date of this Draft Red Herring Prospectus, by our Promoters (also the Promoter Selling Shareholders), members of the Promoter Group, the Selling Shareholders and Shareholders with rights to nominate directors on the Board or other rights in our Company:

Name of the acquirer / shareholder	Class of securities	Date of acquisition of the specified security	Number of specified securities acquired	Transferor	Acquisition price per specified security (in ₹)	Nature of Acquisition
Promoters						
Mathew Chandy	Equity Shares	September 8, 2025	100,000	Coco-Latex Exports Private Limited	72.00	Transfer
	Equity Shares	September 25, 2025	5,903,028	NA	Nil	Bonus issue
Mathew George	Equity Shares	September 8, 2025	100,000	Coco-Latex Exports Private Limited	72.00	Transfer
	Equity Shares	September 25, 2025	5,713,644	NA	Nil	Bonus issue
Mathew Antony Joseph	Equity Shares	September 8, 2025	100,000	Coco-Latex Exports Private Limited	72.00	Transfer
	Equity Shares	September 25, 2025	6,313,374	NA	Nil	Bonus issue
Jacob Joseph George	Equity Shares	September 8, 2025	100,000	Coco-Latex Exports Private Limited	72.00	Transfer
	Equity Shares	September 25, 2025	5,895,996	NA	Nil	Bonus issue
Selling Shareholders						
Lighthouse India Fund III, Limited	Equity Shares	September 25, 2025	5,064,438	NA	Nil	Bonus issue
Lighthouse India III Employee Trust	Equity Shares	September 25, 2025	53,898	NA	Nil	Bonus issue

As certified by P K Shah & Co, Chartered Accountants, having firm registration number 308150E, by way of their certificate dated October 15, 2025.

Weighted average cost of acquisition of specified securities transacted in three years, eighteen months and one year immediately preceding this Draft Red Herring Prospectus

Period	Weighted average cost of acquisition per Equity Share (in ₹)*	Cap Price is 'X' times the weighted average cost of acquisition@	Range of acquisition price: per Equity Share: lowest price – highest price (in ₹)#
Last one year preceding the date of this Draft Red Herring Prospectus	0.98	N.A.	Nil** to 72.00
Last 18 months preceding the date of this Draft Red Herring Prospectus	0.98	N.A.	Nil** to 72.00
Last three years preceding the date of this Draft Red Herring Prospectus	0.98	N.A.	Nil** to 72.00

As certified by P K Shah & Co, Chartered Accountants, having firm registration number 308150E, by way of their certificate dated October 15, 2025.

@ To be updated upon finalization of the Price Band.

* Includes shares acquired by way of bonus issuances and sub-division undertaken by the Company.

** Acquisition price of bonus shares have been considered as Nil.

Issue of Equity Shares made in the last one year for consideration other than cash (excluding bonus issuance)

Our Company has not issued any Equity Shares for consideration other than cash (excluding bonus issuance) in the last one year preceding the date of this Draft Red Herring Prospectus.

Any split or consolidation of Equity Shares in the last one year

Pursuant to a Shareholders resolution dated October 23, 2024, each equity share of our Company of face value of ₹10 was split into ten equity shares of face value of ₹1 each. Accordingly, the issued, subscribed and paid-up capital of our Company was subdivided from 5,975,786 Equity Shares of face value of ₹10 each to 59,757,860 Equity Shares of face value of ₹1 each. For further details, see “Capital Structure – Notes to Capital Structure” on page 86.

Details of pre-IPO placement

Our Company, in consultation with the Book Running Lead Managers, may consider Pre-IPO Placement aggregating up to ₹367.20 million, as may be permitted under the applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the allotment of the Equity Shares issued pursuant to the Pre-IPO Placement will be done towards the general corporate purposes portion of the Objects of the Offer, unless auditor certified disclosures are made with regards to its utilization towards the disclosed specific Objects of the Offer. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

As on the date of this Draft Red Herring Prospectus, our Company has not applied for any exemption from the SEBI under Regulation 300 (2) of the SEBI ICDR Regulations from compliance with any provisions of securities laws including the SEBI ICDR Regulations.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in this Draft Red Herring Prospectus to “India” are to the Republic of India and its territories and possessions and all references to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

All references to the “US”, “U.S.”, “USA” or “United States” are to the United States of America and its territories and possessions.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the corresponding page numbers of this Draft Red Herring Prospectus. Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in IST. Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Financial Data

Our Company’s Financial Year commences on April 1 and ends on March 31 of the next year. Unless stated otherwise, all references in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year, are to the 12 months period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

Unless stated otherwise or where the context otherwise requires, the financial information and financial ratios in this Draft Red Herring Prospectus is derived from the Restated Consolidated Financial Information.

Restated consolidated financial information of our Company and our Subsidiaries, comprises the restated consolidated statement of assets and liabilities as at June 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows for the three months period ended June 30, 2025 and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023, the material accounting policies, and other explanatory information and notes, prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended, SEBI ICDR Regulations, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time. The Restated Consolidated Financial Information have been prepared to comply in all material respects with the Indian Accounting Standards (“**Ind AS**”) as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III to the Companies Act, 2013, as applicable to the financial statements and other relevant provisions of the Companies Act, 2013.

For further information, see “*Restated Consolidated Financial Information*” on page 269.

There are significant differences between Ind AS, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company’s financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS see “*Risk Factors – We have included in this Draft Red Herring Prospectus certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP financial measures and industry measures may vary from any standard methodology that is applicable across the industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.*” on page 59. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, 2013, Ind AS and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal place and all percentage figures have been rounded off to two decimal places. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Red Herring Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

Unless the context otherwise indicates, any percentage amounts, or ratios (excluding certain operational metrics), relation to the financial information of our Company as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 32, 185 and 352, respectively, and elsewhere in this Draft

Red Herring Prospectus have been calculated on the basis of amounts derived from our Restated Consolidated Financial Information.

Non-GAAP financial measures

Certain non-GAAP financial measures relating to our operations and financial performance, namely Gross profit, Gross profit margin, EBITDA, EBITDA Margin, EBITDA growth, PAT Margin, Return on equity, EBIT, Capital employed, Return on capital employed, Net working capital days, Net Asset Value per equity share, Net Worth and Return on Net Worth have been included in this Draft Red Herring Prospectus. Certain other industry measures such as Products wise volume, COCO Stores at the end of the period/ year, Trade Stores, Channel Wise Revenue (together, “**Non-GAAP Measures**” and each a “**Non-GAAP Measure**”) presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the period/years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, Non-GAAP Measures are not standardised terms, hence a direct comparison of Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measure differently from us, limiting its usefulness as a comparative measure. For further details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Other Financial Information*” and “*Risk Factors – We have included in this Draft Red Herring Prospectus certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP financial measures and industry measures may vary from any standard methodology that is applicable across the industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.*” on pages 352, 346 and 59, respectively.

Currency and units of presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupees, the official currency of the Republic of India; and
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in “million” units or in whole numbers where the numbers have been too small to represent in millions. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000. One lakh represents 100,000 and one crore represents 10,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions, such figures appear in this Draft Red Herring Prospectus in such denominations as provided in the respective sources.

Exchange rates

This Draft Red Herring Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and other foreign currencies:

Currency	Exchange rate as on			
	June 30, 2025	March 31, 2025 [^]	March 31, 2024 [*]	March 31, 2023
1 USD	85.54	85.58	83.37	82.21

Source: Foreign exchange reference rates as available on www.fbi.org.in

[^] Exchange rate as on March 28, 2025

^{*} The exchange rate has been included as on March 28, 2024, as March 29, 2024, March 30, 2024, and March 31, 2024, were a public holiday, Saturday, Sunday respectively.

Notes:

⁽¹⁾ Exchange rate is rounded off to two decimal point.

⁽²⁾ If the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.

Please note that the above exchange rates have been provided for indicative purposes only and the amounts reflected in our Restated Consolidated Financial Information may not have been converted using any of the above-mentioned exchange rates.

Industry and market data

Unless stated otherwise, information pertaining to the industry in which our Company operates in, contained in this Draft Red Herring Prospectus has been obtained or derived from the TKC Report which has been exclusively commissioned and paid for by our Company, pursuant to an engagement letter dated July 14, 2025, for the purpose of understanding the industry in connection with this Offer, since no report is publicly available which provides a comprehensive industry analysis, particularly for our Company's services, that may be similar to the TKC Report. This Draft Red Herring Prospectus contains certain data and statistics from the TKC Report, which is available on the website of our Company at www.duroflexworld.com/pages/investor-relations/industryreport. TKC is an independent agency which has no relationship with our Company, our Promoters, any of our Directors, Key Managerial Personnel, Senior Management or the Book Running Lead Managers.

Except for the TKC Report, we have not commissioned any report for purposes of this Draft Red Herring Prospectus and any market and industry related data, other than that extracted or obtained from the TKC Report, used in this Draft Red Herring Prospectus.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but accuracy, completeness and underlying assumptions of such third-party sources are not guaranteed. Although the industry and market data used in this Draft Red Herring Prospectus is reliable, the data used in these sources may have been re-classified by us for the purposes of presentation. However, no material data in connection with the Offer has been omitted. Data from these sources may also not be comparable.

Industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in *"Risk Factors – We have included in this Draft Red Herring Prospectus certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP financial measures and industry measures may vary from any standard methodology that is applicable across the industry and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies."* on page 59.

In accordance with the SEBI ICDR Regulations, *"Basis for Offer Price"* on page 128 includes information relating to our peer group companies. Such information has been derived from publicly available sources specified herein. Accordingly, no investment decision should be made solely on the basis of such information.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute “forward-looking statements”. All statements regarding our expected financial condition and results of operations, business, plans and prospects are “forward-looking statements”.

These forward-looking statements include statements which can generally be identified by words or phrases such as “aim”, “anticipate”, “are likely”, “believe”, “continue”, “expect”, “estimate”, “intend”, “likely to”, “seek to”, “shall”, “may”, “objective”, “plan”, “project”, “propose”, “will”, “will continue”, “will likely”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements whether made by us or any third parties in this Draft Red Herring Prospectus are based on our current plans, estimates, presumptions and expectations and are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement, including but not limited to, regulatory changes pertaining to the industry in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic and international laws, regulations and taxes, changes in competition in our industry, incidence of natural calamities and/or acts of violence.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Our business and results of operations are significantly dependent on our Brands, under which we offer a wide range of products, including mattresses, foam and furniture and any impairment, dilution or damage to our Brands in any manner may adversely affect our business reputation, results of operations, financial condition and cash flows.
- We derive a significant portion of our revenue from our mattress and branded foam product categories. Our revenue from the sale of mattress accounted for 54.74%, 51.41%, 51.79% and 55.54% of our revenue from operations in the three months period ended June 30, 2025 and Fiscals 2025, 2024 and 2023, respectively. Our revenue from the sale of branded foam accounted for 36.75%, 39.37%, 36.62% and 33.69% of our revenue from operations in the three months period ended June 30, 2025 and Fiscals 2025, 2024 and 2023, respectively. Any shifts in customer preferences, any disruption in the supply chain, or heightened competition in these product categories could adversely affect our business, results of operations, financial condition and cash flows.
- We are exposed to risks relating to our general trade distribution channels and our inability to effectively manage our general trade distribution channels could adversely affect our business, financial condition and results of operations, including our network of trade stores.
- We are exposed to risks relating to our e-commerce channels, such as technical issues that may affect ecommerce platforms, changes in customer behaviour and platform disruptions.
- Our COCO Stores may not perform as expected and we may be unable to successfully expand our COCO Store network, which may adversely impact our business, financial condition and results of operations.
- The premises of all of our COCO Stores are leased or sub-leased or are on leave and license basis. If we fail to renew these leases and leave and license agreements on competitive terms or if we are unable to manage our rental costs, our business, results of operations, financial condition and cash flows would be adversely affected.
- Our business is dependent on our manufacturing facilities and we are subject to certain risks in our manufacturing processes. Any unscheduled, unplanned or prolonged disruption of our manufacturing operations could materially and adversely affect our business, financial condition, cash flows and results of operations.
- Under-utilization of our manufacturing capacities over extended periods, or significant underutilization in the short term could increase our cost of production and our operating costs and adversely impact our business, growth prospects and future financial performance.
- We depend on certain key suppliers to procure our raw materials. Further, we do not have long term agreements with suppliers for our raw materials and an increase in the cost of or a shortfall in the availability of such raw materials could have an adverse effect on our business, results of operations, financial condition and cash flows.
- Any failure in our quality control processes or if the quality of our products does not meet our customers’ expectations, could have an adverse effect on our business, results of operations, financial condition and cash flows.

Certain information in “*Industry Overview*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 146, 185 and 352, respectively, of this Draft Red Herring Prospectus have been obtained from the TKC Report. The TKC Report is available on the website of our Company at www.duroflexworld.com/pages/investor-relations/industryreport.

For further discussion of factors that could cause the actual results to differ from the expectations, see “*Risk Factors*”, “*Industry Overview*”, “*Our Business*”, and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 32, 146, 185, and 352, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

Forward-looking statements reflect current views of our Company as on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

These statements are based on our management’s belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based on are reasonable, any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, nor our Promoters, Directors, KMPs, any of the Selling Shareholders, the Syndicate or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the requirements of the SEBI ICDR Regulations, our Company shall ensure that Bidders in India are informed of material developments, in relation to statements and undertakings confirmed and undertaken by our Company, from the date of filing of the Red Herring Prospectus with the RoC until the time of the grant of listing and trading permission by the Stock Exchanges for the Offer. In accordance with the requirements of the SEBI ICDR Regulations, each of the Selling Shareholders shall, severally and not jointly, ensure that the Bidders, our Company and BRLMs are informed of material developments in relation to the statements and undertakings specifically made or undertaken by such Selling Shareholder in relation to themselves as a Selling Shareholder and their respective portion of the Offered Shares in the Red Herring Prospectus, from the date thereof until the time of the grant of listing and trading permission by the Stock Exchanges for the Offer. Only statements and undertakings which are specifically confirmed or undertaken by a Selling Shareholder specifically in relation to themselves as a Selling Shareholder and their respective portion of the Offered Shares, as the case may be, in this Draft Red Herring Prospectus shall, severally and not jointly, shall be deemed to be statements and undertakings made by such Selling Shareholder.

SECTION II: RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described in this section are those that we consider to be the most significant to our business, results of operations, cash flows and financial condition as of the date of this Draft Red Herring Prospectus.

The risks set out in this section may not be exhaustive and additional risks and uncertainties, not currently known to us or that we currently do not deem material, may arise or may become material in the future and may also adversely affect our business, results of operations, cash flows, financial condition and/or prospects. If any or a combination of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows, and financial condition and/or prospects could be adversely affected, the trading price of our Equity Shares could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with “Industry Overview”, “Our Business”, “Restated Consolidated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 146, 185, 269 and 352, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries. In making an investment decision, prospective investors must rely on their own examinations of us and the terms of the Offer, including the merits and the risks involved.

This Draft Red Herring Prospectus also contains information relating to our strategies, future plans and forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further information, see “Forward-Looking Statements” on page 30.

Our financial year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular financial year are to the 12 months ended March 31 of that year. Unless otherwise indicated, or the context otherwise requires, the financial information included herein is based on our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus. For further information, see “Restated Consolidated Financial Information” on page 269. Our Restated Consolidated Financial Information has been prepared in accordance with the SEBI ICDR Regulations. Unless the context otherwise requires, in this section, references to “the Company”, “our Company” refers to Duroflex Limited and “we”, “us” or “our” refers to Duroflex Limited and its subsidiaries.

Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled “Industry Report on PU Foam, Mattress, Home Comfort Accessories and Furniture Market in India” dated October 13, 2025 (the “TKC Report”) prepared and issued by TKC, appointed by us pursuant to an engagement letter dated July 14, 2025 and exclusively commissioned and paid for by us to enable investors to understand the industry in which we operate in connection with the Offer. Unless otherwise indicated, financial, operational, industry and other related information derived from the TKC Report and included herein with respect to any particular calendar year/ Fiscal refers to such information for the relevant calendar year/ Fiscal. The TKC Report will form part of the material documents for inspection and a copy of the TKC Report is available on the website of our Company at www.duroflexworld.com/pages/investor-relations. For further information, see “Certain sections of this Draft Red Herring Prospectus disclose information from the TKC Report which is a paid report and is commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks” on page 59. Also see, “Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation” on page 27.

Internal Risk Factors

- 1. Our business and results of operations are significantly dependent on our Brands, under which we offer a wide range of products, including mattresses, foam and furniture and any impairment, dilution or damage to our Brands in any manner may adversely affect our business reputation, results of operations, financial condition and cash flows.***

We sell our mattress, furniture and other sleep and comfort products under the “Duroflex”, “Sleepyhead” and “Perfect Rest” brand names, and we sell our branded foam under the “Durofoam” brand (together, the “Brands”). Each Brand caters to different customer segments. For details, please see “Our Business – Overview” on page 185. Customers’ perception of each of our Brands are a critical factor influencing their purchasing decisions. Consequently, our success is contingent upon, among other factors, market recognition and acceptance of our Brands and the lifestyle associated with our Brands, as well as our ability to maintain and enhance the value and reputation of our Brands. Accordingly, we build and sustain our Brands’ image

through a variety of promotional and marketing activities. The table below sets forth our advertisement and sales promotion expenses as a percentage of our revenue from operations in the period/ years indicated:

Particulars	Three months period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Advertisement and sales promotion expenses (₹ million)	160.56	730.11	850.14	758.81
Revenue from operations (₹ million)	2,925.19	11,342.50	10,952.96	10,574.87
Advertisement and sales promotion expenses as a percentage of Revenue from operations	5.49%	6.44%	7.76%	7.18%

Several factors, some of which are beyond our control, may adversely impact our Brand's image. These factors include any failure in our ability to deliver quality products to our customers, effectively execute marketing and promotional activities, manage relationships with our customers, address complaints and incidents of negative publicity, and maintain a positive perception of our Company. A decline in product quality may erode customer trust and lead to negative reviews, damaging our reputation. Any actual or perceived decline in the quality of our products could result in loss of customers. Negative publicity concerning our Company, products, operations, Directors, senior management, or employees could adversely affect customer perception of our Brands, damage our corporate reputation, and lead to decreased demand for our products. While we have not experienced any negative publicity in the three months period ended June 30, 2025 and the last three Fiscals which had an adverse impact on our business, results of operations, financial condition and cash flows, we cannot assure you that we will not face any negative publicity in the future. Our Brands and reputation could also be adversely impacted by persons passing-off counterfeit or duplicate products under the same brand names as us or which copy the Brands without our permission. While we have not experienced any instances of duplicates or counterfeits of our products in the three months period ended June 30, 2025 and in the last three Fiscals, we cannot assure you that such instances will not arise in the future, and any occurrence of the aforesaid could affect our business, results of operations, financial condition and cash flows. Any impact on our ability to continue to promote our Brands or any significant damage to our Brands' image could adversely affect our business, results of operations, financial conditions and cash flows. See, “- If we fail to protect or incur significant costs in defending our intellectual property or if we infringe the intellectual property rights of others, our business, results of operation, financial condition and cash flows could be adversely affected.” on page 40.

- We derive a significant portion of our revenue from our mattress and branded foam product categories. Our revenue from the sale of mattress accounted for 54.74%, 51.41%, 51.79% and 55.54% of our revenue from operations in the three months period ended June 30, 2025 and Fiscals 2025, 2024 and 2023, respectively. Our revenue from the sale of branded foam accounted for 36.75%, 39.37%, 36.62% and 33.69% of our revenue from operations in the three months period ended June 30, 2025 and Fiscals 2025, 2024 and 2023, respectively. Any shifts in customer preferences, any disruption in the supply chain, or heightened competition in these product categories could adversely affect our business, results of operations, financial condition and cash flows.***

We derive a significant portion of our revenue from our mattress product category and, in particular, from the sale of our 'Duropedic' and 'Energise' mattress product families. Revenues from the sale of mattresses may be adversely affected by increased competition, pricing pressures arising out of increase in raw material costs or fluctuations in the demand for or supply of our products, customer preferences and other factors outside our control.

We also derive a significant portion of our revenue from our branded foam product category. Revenues from the sale of branded foam may be adversely affected by increased competition, pricing pressures arising out of increase in raw material costs, quality issues with our various branded foam products or fluctuations in the demand for or supply of our products and other factors outside our control. Revenues from the sale of branded foam are dependent on the underlying attractiveness of the products of our customers, of which our branded foam inputs are a part, as well as pricing, logistics and other factors outside of our control.

The table below sets forth details of our revenues from the sale of our various product categories in the period/ years indicated:

Product Category	Three months period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ million)	Percentage of Revenue from operations	Amount (₹ million)	Percentage of Revenue from operations	Amount (₹ million)	Percentage of Revenue from operations	Amount (₹ million)	Percentage of Revenue from operations
Mattress	1,601.13	54.74%	5,830.68	51.41%	5,672.62	51.79%	5,873.29	55.54%
Branded Foam	1,075.11	36.75%	4,465.31	39.37%	4,011.04	36.62%	3,563.14	33.69%
Furniture	151.95	5.19%	610.22	5.38%	760.00	6.94%	522.24	4.94%
Accessories	69.29	2.37%	338.58	2.99%	422.10	3.85%	463.03	4.38%
Other operating revenues	27.71	0.95%	97.71	0.85%	87.20	0.80%	153.17	1.45%
Revenue from Operations	2,925.19	100.0%	11,342.50	100.0%	10,952.96	100.0%	10,574.87	100.0%

Factors that may affect customer perception of our products include trends in the home and furnishing sector, preferences for more sustainable and eco-friendly materials, the attractiveness of our distribution channels, the innovativeness of our products from both a design and a technological perspective and other similar changes in the customer-facing home and furnishings market. Any decrease in demand for our products or our failure to anticipate, identify, or react to changes in these trends, changing customer preferences and fluctuations in customer spending patterns could adversely affect our business, results of operations, financial condition, and cash flows. If we are unable to anticipate and gauge customer preferences, or if we are unable to adapt to such changes on a timely basis or at all, we may lose or fail to attract customers, our mattress inventory may become obsolete and we may be subject to pricing pressure to sell such inventory at a discount. Given that mattresses have a longer shelf life, we have not faced any instances of our mattress inventory becoming obsolete in the three months period ended June 30, 2025 and the last three Fiscals which had an adverse impact on our business, results of operations, financial conditions and cash flows. However, we cannot assure you that such instances will not occur in the future and any occurrence of the aforesaid could affect our business, results of operations, financial condition and cash flows.

Additionally, we sell branded foam directly to manufacturers who produce a diverse range of products, including mattress and furniture-cushioning, automobile seating systems, garments, packaging, insulation and sound absorption systems. Any decrease in demand for our branded foam products or our failure to anticipate, identify, or react to changes in these trends, changing customer preferences and fluctuations in customer spending patterns could adversely affect our business, results of operations, financial condition, and cash flows. If we are unable to anticipate and gauge customer preferences, or if we are unable to adapt to such changes in a timely basis or at all, we may lose or fail to attract customers, our branded foam production capacity may become obsolete and we may not be able to fully utilize our installed capacity for the production of our foam. While we have not faced any instances of our branded foam production capacity becoming obsolete in the three months period ended June 30, 2025 and the last three Fiscals which had an adverse impact on our business, results of operations, financial conditions and cash flows we cannot assure you that such instances will not occur in the future and any occurrence of the aforesaid could affect our business, results of operations, financial condition and cash flows.

3. *We are exposed to risks relating to our general trade distribution channels and our inability to effectively manage our general trade distribution channels could adversely affect our business, financial condition and results of operations, including our network of trade stores.*

The table below sets forth a breakdown of revenue generated from multiple sales channels for the period/years indicated:

Channels	Three months period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ million)	Percentage of Revenue from operations	Amount (₹ million)	Percentage of Revenue from operations	Amount (₹ million)	Percentage of Revenue from operations	Amount (₹ million)	Percentage of Revenue from operations
Modern retail channels* (A= A1 + A2)	800.25	27.36%	2812.70	24.80%	3267.18	29.83%	2988.90	28.26%
COCO Stores (A1)	273.58	9.36%	886.84	7.82%	727.56	6.64%	576.96	5.45%
Ecommerce Channels (A2)	526.67	18.00%	1,925.86	16.98%	2,539.62	23.19%	2,411.94	22.81%
Trade Stores** (B)	808.26	27.63%	3,275.58	28.88%	3,095.70	28.26%	3,401.45	32.17%
Branded foam, institutional and OEM channels*** (C)	1,316.68	45.01%	5,254.22	46.32%	4,590.08	41.91%	4,184.52	39.57%
Revenue from Operations (D= A+B+C)	2,925.19	100.00%	11,342.50	100.00%	10,952.96	100.00%	10,574.87	100.00%

* Modern retail channels include our website, third party ecommerce platforms and COCO Stores.

** Trade Stores consists of our general trade channel, which includes sales to distributors and directly to trade stores/dealers.

*** Includes supplying to large institutions, hospitality players, and original equipment manufacturers ("OEMs")

We depend upon our general trade distribution channel comprising of distributors, trade stores/dealers across India to sell and distribute our products to customers. For details, see "Our Business–Business Operations–Distribution and Logistics" on page 208.

As of June 30, 2025, our general trade distribution channel included 375 distributors and 5,576 trade stores. If we are unable to maintain and grow this distribution channel, our products may not effectively reach customers and we may lose market share. Any disruptions, delays or inefficiencies by, among others, our distributors could adversely affect our operations and may lead to disruptions in our supply chain. While we have not faced any instances of disruptions, delays or inefficiencies in the three months period ended June 30, 2025 and the last three Fiscals which had an adverse impact on our business, results of operations, financial conditions and cash flows we cannot assure you that such instances will not occur in the future and any occurrence of the aforesaid could affect our business, results of operations, financial condition and cash flows. While we enter into agreements

with our distributors in the ordinary course of business, there can be no assurance that our products will continue to have the same geographical outreach in the future. We also face the risk of attrition of our network of distributors, especially if our reputation with our distributors is tarnished. Further, most of our distributors do not provide their service exclusively to us and may be providing the same or similar service to other parties, including our competitors. We may not be able to compete successfully against some of our current or future competitors that have larger distribution networks, especially if such competitors provide their distributors with more favourable arrangements than us. If the terms offered by our competitors to such distributors are more favourable than those offered by us, such distributors may decline to distribute our products and terminate their arrangements with us. While there have not been any material delays or defaults in payments from our distributors in the past we cannot assure you that we will be successful in continuing to receive uninterrupted, high quality service from our general trade distribution channels for our products.

In addition, we derive a portion of our revenues from trade stores where multiple brands' products are sold and the same are operated by third parties. We cannot assure you that these trade stores will consistently meet our standards for customer service. In particular, certain trade stores are operated by our franchisees where we have limited oversight on their operations despite them operating under our name. If they fail to meet our standards for customer satisfaction, it could lead to customer dissatisfaction and negative reviews, which may adversely affect our brand reputation and sales. We may also not be able to provide the products as per their demand, which could result in potential damage to our relationships with any third-party trade stores. In addition, trade stores may prioritise the sale of our competitors' products, which could result in a decline in revenue.

4. *We are exposed to risks relating to our e-commerce channels, such as technical issues that may affect ecommerce platforms, changes in customer behaviour and platform disruptions.*

We sell products through the websites operated by our Company and other third party ecommerce platform channels. Technical issues in relation to our own and third party ecommerce channels, such as server downtime, software bugs, or inadequate website performance can hinder customer access and transactions, leading to potential loss of revenues. For instance, server downtime can prevent customers from accessing ecommerce channels, resulting in missed sales opportunities and potential loss of customer trust. Software bugs can disrupt the functionality of ecommerce channels, causing frustration for customers and potentially driving them to competitors. Inadequate website performance, such as slow loading times or poor user interface design, can negatively impact the customer experience, reducing the likelihood of repeat purchases. Shifts in customer behaviour, such as changes in online shopping preferences or reduced trust in ecommerce, could negatively impact our online sales. Additionally, our website is managed by a dedicated in-house team. Any loss of manpower within this team could adversely affect our website operations, which could lead to a decline in customer satisfaction. Our website is also prone to cyber-attacks, including data breaches and hacking attempts, which pose significant risks to the security and integrity of our online platform. Data breaches can result in unauthorized access to sensitive customer information, leading to financial losses, legal liabilities, and damage to our reputation. Further, while we have not faced any disruptions to our website due to cyber-attacks, data breaches, or software bugs in the three months period ended June 30, 2025 and the last three Fiscals which had an adverse impact on our business, results of operations, financial condition and cash flows, any occurrence of the aforesaid could affect our business, results of operations, financial condition and cash flows.

5. *Our COCO Stores may not perform as expected and we may be unable to successfully expand our COCO Store network, which may adversely impact our business, financial condition and results of operations.*

Our COCO Stores are operated by us on exclusively leased, sub-leased or licensed premises. They offer our customers a hands-on experience with our products and are located in 31 cities across 14 states and 2 union territories as on June 30, 2025. Our existing COCO Stores may not achieve our expected level of profitability which may adversely affect our business prospects, results of operations, financial condition and cash flows. The table below sets forth the number of COCO Stores operated by us as of the dates indicated:

Particulars	As on June 30, 2025	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023
Number of COCO Stores	73	71	68	54

We cannot assure you that current locations of our COCO Stores will continue to be attractive or profitable. Further, our future revenue growth depends upon the successful operation of our COCO Stores, the efficiency of our supply chain management systems and the successful management of our sales, marketing, and support and service teams in various states across India where our stores are located. The expansion of our business may require that we establish COCO Stores and manage businesses in widely disparate states with different statutory, legal and regulatory framework. Compliance with multiple regulatory regimes and management of operations across diverse jurisdictions may increase operational complexity and costs, and any failure to manage these requirements could adversely affect our business, results of operations, financial condition, and cash flows. In addition, we may be affected by various factors inherent in carrying out business operations in several states in India, such as coordinating and managing operations in several locations, including different political, economic and business conditions and labour laws and associated uncertainties, exposure to different legal standards and regulations; and difficulties in staffing and managing operations. Any of these factors could adversely affect our business, results of operations, financial condition and cash flows. Further, as we expand our network of COCO Stores, we anticipate an increase in our consolidated rent expenses. If

we are unable to generate adequate revenues from new stores, the increased rent expenses could have an adverse impact on our business, results of operations, financial condition and cash flows.

Further, our COCO Stores may experience varying levels of sales performance due to factors such as location-specific demand, seasonal trends, competitive dynamics, and economic conditions in the respective regions. Due to these factors, some of our COCO Stores may outperform while others may underperform. A consistent decline in revenue from any particular COCO Stores may necessitate their closure. Frequent closures may adversely affect brand perception and customer trust in the affected regions, potentially resulting in a loss of customer loyalty. In the last three Fiscals and the three month period ended June 30, 2025, we have closed four COCO Stores. These closures were primarily due to low revenue generation from these stores. While we monitor the performance of our COCO Stores and implement strategies to enhance their profitability, we cannot assure you that future closures will not be necessary or that such actions will not have an adverse impact on our business, results of operations, financial condition, and cash flows.

6. *The premises of all of our COCO Stores are leased or sub-leased or are on leave and license basis. If we fail to renew these leases and leave and license agreements on competitive terms or if we are unable to manage our rental costs, our business, results of operations, financial condition and cash flows would be adversely affected.*

Our COCO Stores are on leased, sub-leased or licensed premises. We typically enter into lease or sub-lease and license agreements for a period of ten months to nine years for our COCO Stores with an option to renew. If a lease or sub-lease agreement and license agreement is renewed at a rate substantially higher than the existing rate, or if any existing favourable terms granted by the lessor/sub-lessor are not extended, we must determine whether it is desirable to renew on such modified terms. If we are unable to renew leases or sub-leases or licenses for our COCO Stores on acceptable terms or at all, we will have to close or relocate the relevant COCO Stores, which would eliminate the sales that those COCO Stores would have contributed to our revenues during the period of closure and could subject us to renovation and other costs and risks. The table below sets forth details of the rent paid by us for our COCO Stores for the period/ years indicated:

Particulars	Three months period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Rent paid for COCO Stores (₹ million)	50.05	181.81	156.10	116.42

We are subject to lock-in provisions in some of our leases/sub-leases which may restrict our ability to terminate such leases/sub-leases, including in the event the location of the leased premises is no longer profitable. Further, certain of our lease, sub-lease and leave and license agreements include provisions specifying fixed increases in rental payments over the respective terms of the lease, sub-lease and leave and license agreements. While these provisions have been negotiated and are specified in the respective lease, sub-lease and leave and license agreement, they will increase our costs of operation and therefore may adversely affect our results of operation if we are not able to pass on the increased costs to our customers. If our sales do not increase in line with our rent and costs, including setup and interior design costs, our profitability, business, results of operations, financial condition and cash flows could be adversely affected.

Further, our leasehold/ sub-leasehold/ license rights ensure that any change in ownership of the leased/ sub-leased/ licensed premises shall not adversely affect our rights under the respective agreement. However, some of the lessors/ sub-lessors/ licensors have mortgaged the leased/ sub-leased/ licensed premises or created a security interest over such property with their respective creditors. We cannot assure that if due to any change in ownership arising out of such mortgage or security interest, or default of the lessors/ licensors obligations towards their respective creditors will not impact our rights under the respective agreements.

7. *Our business is dependent on our manufacturing facilities and we are subject to certain risks in our manufacturing processes. Any unscheduled, unplanned or prolonged disruption of our manufacturing operations could materially and adversely affect our business, financial condition, cash flows and results of operations.*

We operate seven manufacturing facilities, which are situated at five locations, with two manufacturing facilities located at Hosur, Tamil Nadu, one manufacturing facility each at Kariamangalam, Tamil Nadu, Kelmangalam, Tamil Nadu and Hyderabad, Telangana and two manufacturing facilities at Indore, Madhya Pradesh. For details with respect to the products manufactured at each of these manufacturing facilities, see “Our Business—Manufacturing—Facilities” on page 214. Our business is dependent on our ability to efficiently manage our manufacturing facilities and the operational risks associated with it, including those beyond our control. Any unscheduled, unplanned or prolonged disruption of our manufacturing operations, including on account of power failure, fire, mechanical failure of equipment, performance below expected levels of output or efficiency, obsolescence, non-availability of adequate labour or disagreements with our workforce, lock-outs, earthquakes and other natural disasters, industrial accidents, any significant social, political or economic disturbances or infectious disease outbreaks, could have an adverse impact on our business, results of operations, financial condition and cash flows. Disruptions in our manufacturing operations could delay production or require us to temporarily or permanently cease operations at our manufacturing facilities and require us to incur additional expenditure to attempt to mitigate such disruption. While we have not experienced any prolonged disruptions at our manufacturing facilities in the three months period ended June 30, 2025 and the last three Fiscals, we cannot assure you that such instances will not arise in the future.

Certain of our manufacturing processes such as foam production or the use of cutting machines are inherently hazardous. If any industrial accident, loss of human life or injuries were to occur, we could be subject to significant penalties, other actionable claims and, in some instances, criminal prosecution and reputational harm. As on date of this Draft Red Herring Prospectus, our Company is involved in certain on-going disputes which are pending under the High Court of Judicature at Madras, in relation to three accidents involving contract workmen who were working in Manufacturing Facility III. These matters are currently pending. For further details, see “*Outstanding Litigation and Material Developments - Litigation involving our Company - Criminal Litigation against our Company*” on page 391.

We may also be subject to manufacturing disruptions in case of any contravention by us of applicable regulatory approvals until such regulatory issues are resolved, which may have an adverse effect on our business, results of operations, financial condition and cash flows. While we have not faced any regulatory action due to non-compliances related to our manufacturing operations in the three months period ended June 30, 2025 and the last three Fiscals which had an adverse impact on our business, results of operations, financial condition and cash flows we cannot assure you that such instances will not arise in the future. For further details, please also see “- *Failure to obtain or renew approvals, licenses, registrations and permits to operate our business in a timely manner, or at all, may adversely affect our business, financial condition, results of operation and cash flows*” on 51.

8. *Under-utilization of our manufacturing capacities over extended periods, or significant underutilization in the short term could increase our cost of production and our operating costs and adversely impact our business, growth prospects and future financial performance.*

Capacity utilization at our manufacturing facilities is affected by our product mix, our ability to accurately forecast customer demand, to carry out uninterrupted operations, the availability of raw materials, and industry and market conditions. In the event there is a decline in the demand for our products, in particular, our branded foam or if we face prolonged disruptions at our manufacturing facilities or are unable to procure sufficient raw materials, our capacity utilisation would decline and we would not be able to achieve full capacity utilization of our existing or future manufacturing facilities.

The table below sets out our overall capacity utilization at our manufacturing facilities for the period/ years indicated:

Manufacturing Facility	Products Manufactured	Three months period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
		Capacity utilization (%)			
Manufacturing Facility I	Foam	99%	90%	82%	72%
Manufacturing Facility I	Foam Sheets	68%	62%	56%	59%
Manufacturing Facility I	Foam Mattress- Roll Pack	87%	85%	90%	73%
Manufacturing Facility II	Foam Mattress- Roll Pack	89%	57%	68%	70%
Manufacturing Facility II	Foam Mattress- Flat Pack	63%	72%	83%	98%
Manufacturing Facility II	Spring Mattress-Flat Pack	87%	64%	65%	53%
Manufacturing Facility III	Coir Mattress	78%	96%	96%	104%^
Manufacturing Facility III	Foam Mattress- Flat Pack	95%	55%	49%	51%
Manufacturing Facility IV	Foam Sheets	49%	49%	40%	18%
Manufacturing Facility V	Foam	74%	61%	49%	44%
Manufacturing Facility VI	Foam Mattress- Roll Pack	51%	62%	55%	79%
Manufacturing Facility VI	Foam Mattress- Flat Pack	72%	62%	51%	55%
Manufacturing Facility VI	Spring Mattress-Flat Pack	97%	92%	57%	45%
Manufacturing Facility VI	Foam Sheets	74%	63%	50%	41%
Erstwhile Sofa Facility *	Sofa	88%	77%	80%	71%

* The plant set up in a manufacturing park for manufacturing sofas was operational till July 31, 2025 (“*Erstwhile Sofa Facility*”), and has been shifted to Manufacturing Facility VII, Kelamangalam, Tamil Nadu from August 1, 2025. As a result, our annualized capacity of sofa seats at Manufacturing Facility VII increased to 187,776 seats annually.

^ In Fiscal 2023, at Manufacturing Facility III (coir mattress facility), the coir production line operated beyond its standard two-shift design for one quarter in order to fulfil market orders.

This information is based on various assumptions and estimates of our management that have been taken into account by Praveen Subramanya, on behalf of AJVA SP Appraisal Services Private Limited, an independent chartered engineer. See - “*Information relating to our installed capacity and the historical capacity utilization of our manufacturing facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates and future production and capacity utilization may vary*” on page 58.

For further information, see “*Our Business - Business Operations—Manufacturing—Facilities*” on page 214.

Underutilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term, could limit our ability to leverage our economies of scale, our cost of production and our operating costs which could have an adverse impact on our business, growth prospects and future financial performance.

9. We depend on certain key suppliers to procure our raw materials. Further, we do not have long term agreements with suppliers for our raw materials and an increase in the cost of or a shortfall in the availability of such raw materials could have an adverse effect on our business, results of operations, financial condition and cash flows.

Our primary raw materials are for branded foam and mattress production and include chemicals (primarily petrochemicals), as well as natural wood and latex, processed wood, fabrics, glue and metal goods. The cost of our products is dependent on our ability to source these raw materials at acceptable prices and maintain a stable and sufficient supply of such raw materials. The price and availability of raw materials are subject to volatility and unavailability caused by various external conditions, including supply and demand dynamics, logistics and processing costs, our bargaining power with suppliers, inflation, governmental regulations and policies, overall economic conditions, production levels, market demand and competition for such materials, production, duties and taxes, and trade restrictions. In particular, the price of petrochemical inputs to our branded foam and related products is highly correlated to international oil prices and can therefore be subject to fluctuations. The table below sets forth details of cost of materials consumed by us in the period/years indicated:

Particulars	Three months period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Cost of materials consumed (₹ million)	1,623.02	6,144.15	5,698.14	5,351.33
Revenue from operations (₹ million)	2,925.19	11,342.50	10,952.96	10,574.87
Cost of materials consumed as a percentage of Revenue from operations	55.48%	54.17%	52.02%	50.60%

We typically do not enter into long term supply contracts with any of the raw material suppliers and typically place orders with them in advance of our anticipated requirements. The absence of long-term contracts at fixed prices exposes us to volatility in the prices of raw materials that we require and we may be unable to pass these costs onto our customers. The following 10 suppliers contribute to more than 50% of the total cost of raw materials purchased in Fiscal 2025.

Name of Supplier	Material Supplied	Percentage of Cost of Raw Materials Purchased (Fiscal 2025)
Pon Pure Chemical India Private Limited	TDI, Polyols, ISO Propyl Alcohol	22.18%
Manali Petrochemicals Limited	Polyols	5.86%
Wanhua International (India) Private Limited	Polyols, TDI	5.37%
Sarva Foam Industries Private Limited	Rebonded Foam	4.72%
BASF India Limited	TDI, Cosy Pur (PU sheet)	4.54%
Supplier 6*	Polyols, TDI	3.94%
Moka Business Private Limited	Polyols, TDI, Silicones	3.08%
Mitsui Chemicals India Private Limited	Polyols, TDI	2.64%
Supplier 9*	Polyols, TDI	2.55%
Silvassa Global Synthetics Private Limited	Fabric	2.48%
Total		57.36%

* The names of Supplier 6, and Supplier 9 have not been disclosed, as these suppliers did not grant consent for their identities to be shared.

We also face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure raw materials from alternate suppliers in a timely fashion, or on terms acceptable to us, may adversely affect our operations. While we have not experienced material disruption in the supply of our raw materials in the three months period ended June 30, 2025 and the last three Fiscals which had an adverse impact on our business, results of operations, financial condition and cash flows we cannot assure you that such disruption will not occur in the future and if any such disruption occurs, such disruption may result in unexpected increases in prices of our raw materials and packaging material costs.

We import certain of our raw materials, including toluene diisocyanate, polymer polyol and base polyol from various countries such as the United States of America, China, Singapore and Korea. The table below provides our cost of imported raw materials as a percentage of our total cost of raw materials purchased in the period / years indicated:

Particulars	Three months period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Cost of imported raw materials (₹ million)	64.93	457.18	294.61	510.69
Cost of imported raw materials as a percentage of total cost of materials purchased	4.03%	7.31%	5.27%	9.57%

Any restrictions imposed by the Government of India on the import of such raw materials or any embargoes on the jurisdictions where our suppliers are located, or any increases in import duties on these raw materials, may adversely affect our business, results of operations, financial condition and cash flows. While we have not faced any such restrictions on the import of required raw materials in the three months period ended June 30, 2025 and in the last three fiscal years which had an adverse impact on our business, results of operations, financial condition and cash flows, we cannot assure that these issues will not arise in the future. We are also subject to the risks associated with changing international trade policies, including the imposition of anti-dumping duties by the Government of India. Anti-dumping duties can increase the cost of imported raw materials, making our

products less competitive in the market, which could have an adverse impact on our business, results of operations, financial condition, and cash flows.

10. Any failure in our quality control processes or if the quality of our products does not meet our customers' expectations, could have an adverse effect on our business, results of operations, financial condition and cash flows.

While we have internal quality standards and our quality control teams perform quality control processes for raw materials and the final products before they are dispatched to our customers, our products may contain quality issues or undetected errors or defects. For further information, see “*Our Business - Business Operations—Key Manufacturing Processes—Quality Assurance and Quality Control*” on page 219. In particular, advanced sleep tech and furnishings products such as Neuma, Wave Kinect and motorized recliners expose us to risks related to product malfunctions, and customer injuries, which necessitate stringent quality control processes to ensure product reliability. We cannot assure you that our quality standards will be adhered to, and if they are not, that our quality control processes and inspections will accurately detect all deficiencies in the quality of our products at all times, before such products reach the customers. We have, from time to time, due to quality defects, replaced or accepted returns of products sold to our customers in accordance with our replacements and returns policy. In the event the quality of our products is not in accordance with our standards or our products are defective, our customers may return our products, we may be required to recall or replace such products at additional cost to us and our reputation may be impacted. We recognize our revenue on a net basis, taking into account sales returns and rebates and discounts from the contracted sales price.

Also, see “- *We provide product warranties and, if our product warranty obligations are significantly in excess of our warranty provisions, our business, financial condition and results of operations could be adversely affected.*” on page 57.

In addition, material quality issues can expose us to product liability claims in the event that our products fail to meet the required quality standards, or are alleged to cause harm to customers. We face the risk of legal proceedings and product liability claims being brought against us by our customers, for various reasons including for defective products sold. We have not been subject to any legal proceedings in relation to the product liability claims in the three months period ended June 30, 2025 and the last three Fiscals which had an adverse impact on our business, results of operations, financial condition and cash flows. We cannot assure you that we will not experience any product liability claims in the future or that we will not incur significant costs to defend any such claims. Product liability claims, successful or otherwise, may adversely affect our reputation, brand image and sales. Our inability to avoid or defend product liability claims may adversely affect our business, results of operations, financial condition and cash flow.

11. Our Registered Office, Corporate Office, COCO Stores, warehouses and certain of our manufacturing facilities and warehouses and offices are not located on land owned by us and we have only leasehold rights. In the event we lose or are unable to renew such leasehold rights, our business, results of operations, financial condition and cash flows may be adversely affected.

Our Registered Office, Corporate Office, COCO Stores, warehouses and some of our manufacturing facilities are not located on land owned by us. The table below sets out the details of our Registered Office, Corporate Office and certain of our manufacturing facilities as of the date of this Draft Red Herring Prospectus:

S. No.	Purpose	Address	Nature of the agreement	Date of expiry of agreement	Whether the Lessor is a related party
1	Registered Office	P. B. No. 3808, Chungom, Alappuzha, Ambalappuzha 688 011, Kerala, India	Lease deed	March 1, 2026	Yes
2	Corporate Office	30/6, HSR Layout, Vide CMC Khatha No., 268/18/11 Sector 6, Hosur Main Road, Bangalore, India, 560068, Karnataka, India	Lease deed	February 15, 2028	No
3	Manufacturing Facility IV	Survey No. 582, Rampally (V), Keesara (M), Medchal, Malkajgiri District, Hyderabad, Telangana	Lease deed	December 31, 2026	No
4	Manufacturing Facility VI	Manufacturing facility operated by Shivaarna at Survey No. 9/1/2, 9/1/3 and 10/2 Baroda Village, Arjun Parwari Halka Peerkardiya Kshipra, Sanwer Tehsil, Indore, Madhya Pradesh	Lease deed	June 30, 2028	No
5	Manufacturing Facility VII	Survey No. 766, Avigna Industrial Park, Kelamangalam, Denkanikottai Taluk, Krishnagiri District, Tamil Nadu, India	Lease deed	February 20, 2037	No

The land where our Registered Office is located is held on land that is leased from Vazhathoppil Enterprises Private Limited, which is our Group Company and a related party of our Company. The termination of our lease agreements, or our failure to renew such agreements, on favourable conditions and in a timely manner, or at all, could require us to vacate such premises at short notice, which could adversely affect our business, results of operations, cash flows and financial condition. While we

intend to renew the abovementioned arrangements, we cannot assure you that we will be able to renew any such arrangements when the term of the original arrangement expires, on similar terms or terms reasonable for us or obtain any consent required under these arrangements in a timely manner or at all. Further, certain of the lease deeds involving our COCO Stores have expired and are under the process of renewal. In the event that we are required to vacate our current premises, we would be required to make alternative arrangements, and we cannot assure you that the new arrangements will be on commercially acceptable terms. While we have not faced any instances of difficulties in negotiating our lease arrangements or premature termination of existing lease agreements that led to any adverse effect on our business or operations in the three months period ended June 30, 2025 and the last three Fiscals we cannot assure you that such instances will not occur in the future and any occurrence of the aforesaid could affect our business, results of operations, financial condition and cash flows.

12. *If we fail to protect or incur significant costs in defending our intellectual property or if we infringe the intellectual property rights of others, our business, results of operation, financial condition and cash flows could be adversely affected.*

As of the date of this Draft Red Herring Prospectus, our Company has registered 132 trademarks under class 1, 7, 9, 17, 18, 20, 22, 24, 27, 35, 37, 40 and 42 with the Registrar of Trademarks under the Trademarks Act, 1999. Further, as of the date of this Draft Red Herring Prospectus, we have applied for 103 trademarks under classes 1, 7, 9, 17, 18, 19, 20, 22, 24, 27, 35, 37, 40 and 42 with the Registrar of Trademarks under the Trademarks Act, 1999. Additionally, in order to safeguard our brand overseas (as we export some of our products), we have also registered our trademarks outside India and have made 4 trademark applications in the United States of America, which are currently pending. In addition, we have two pending Indian patent over a key technology for the Neuma range. Our Company also holds 3 copyright registrations in India under the Copyright Act, 1957. For further details, see “*Our Business –Registered Intellectual Property*” on page 207.

Our future success depends, in part, on our ability to protect these intellectual property and other proprietary rights that we may develop. We rely primarily on patents and trademarks, as well as other contractual provisions, to protect our intellectual property and other proprietary rights. Despite our efforts, we may be unable to prevent third parties from infringing upon or misappropriating our intellectual property or otherwise gaining access to our technology. While we have not faced any such instances in the three months period ended June 30, 2025 and the last three Fiscals which had an adverse impact on our business, results of operations, financial conditions and cash flows, we cannot assure you that such instances will not occur in the future and any occurrence of the aforesaid could affect our business, results of operations, financial condition and cash flows. If we fail to protect our intellectual property and other proprietary rights, then our business, results of operation and financial condition could be adversely affected.

In addition, like many of our competitors, we possess extensive technical knowledge about our products. Our know-how may not be adequately protected by intellectual property rights such as patent registration. We employ a high level of automation in our production processes, which result in high productivity and quality. We also rely in part on mutual trust for protection of our trade secrets and confidential information relating to our manufacturing processes. It is our policy to take precautions to protect our trade secrets and confidential information against breach of trust by our employees, consultants, customers and suppliers and our agreements with employees incorporate confidentiality provisions. However, it is possible that unauthorized disclosure of our trade secrets or confidential information may occur. We cannot assure you that we will be successful in the protection of our trade secrets and confidential information. Our manufacturing processes may not be eligible for intellectual property protection and others may be able to use the same or similar automation in production processes, thereby undermining any competitive advantage we may have derived from such processes and adversely affecting our financial condition and results of operations.

Finally, while we ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights. Any claims of intellectual property infringement from third parties, regardless of merit or resolution of such claims, could force us to incur significant costs in responding to, defending and resolving such claims, and may divert the efforts and attention of our management and technical personnel away from our business. As a result of such infringement claims, we could be required to pay third party infringement claims, alter our technologies, obtain licenses or cease some portions of our operations.

13. *We do not have the trademark registration for our new logo . If we are unable to register our new logo, we may not be able to protect or enforce our rights to own or use our new logo which could have an adverse effect on our business and competitive position.*

We have filed applications under classes 1, 7, 9, 17, 18, 19, 20, 22, 24, 27, 35, 37, 40, and 42 each dated August 25, 2025 with the Registrar of Trademarks to register our current corporate logo under the provisions of the Trademarks Act, 1999 and the Trademarks Rules, 2002. We have submitted the necessary documents requested by the Trademarks Registry, Chennai to support our claim regarding our applications under the above mentioned classes. As on the date of this Draft Red Herring Prospectus, the status of each of the applications under the above mentioned classes is pending. For further information on our registered trademarks and trademarks which are pending for registration and are under objection, see “*Government and Other Approvals*” on page 400. Consequently, we do not enjoy the statutory protections on our new logo which is accorded to

registered trademarks in India. If we are unable to register trademark for our new logo for various reasons including our inability to remove objections to any trademark application or protect our claim in relation to the present objections raised by the Trade Mark Registry, Chennai or if any of our unregistered trademark are registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark and consequently, we may not be able to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities, causing damage to our business prospects, reputation and goodwill in India and abroad. Further, any adverse outcome of these opposition proceedings may hinder our ability to use these logos in part or at all in the future. This in turn could affect our reputation, business, results of operations and prospects.

Further, the defense of intellectual property suits and related legal and administrative proceedings can be both costly and time-consuming and may significantly divert the efforts and resources of our technical and management personnel. We may not achieve a favourable outcome in any such litigation. If any claim is adversely determined against us (including in relation to our present applications under the above-mentioned classes of the Trademarks Act, 1999, in any of such potential litigation or proceedings, we could be subject to significant liability to third parties. We could further be subject to injunctions prohibiting the production or sale of our products. Protracted litigation could also result in our existing or potential customers deferring or limiting their purchase or use of our products until resolution of such litigation. Regardless of their merits, such claims could materially and adversely affect our relationships with current or future customers, result in costly litigation, delay or disrupt supply of products, divert management's attention and resources, subject us to significant liabilities, or require us to cease certain activities.

14. *If we fail to develop and launch new products in response to changes in market demands, trends, spending patterns and customer preferences in a timely and effective manner, our business, results of operations, cash flows, and financial condition may be adversely affected.*

Our results of operations are dependent on our ability to anticipate, gauge and respond to changes in the market demand and customer preference for the products we manufacture, and develop new products, or modify our existing offerings in line with these changes. If we misjudge the market for our products or are unable to offer new products or modify our existing products in line with changes in market trends, our sales may be adversely affected. While we continue to undertake product development initiatives and introduce new products, we are subject to general risks associated with the introduction of new products including the lack of market acceptance. Additionally, newer technologies, manufacturing methods and materials pertaining to the industries that our branded foam lines cater to, such as the mattress, home furnishing automotive, footwear, sound absorption and filtration industries, as well as any sustained downturn in these industries in India and abroad could lead to a reduction in the demand for our branded foam lines. We cannot assure you that new products will receive market acceptance or address changing customer trends or emerging industry standards. Any rapid change in the expectations of our customers in our business on account of changes in technology or the introduction of new alternate products could adversely affect our business, results of operations, financial condition and cash flows.

15. *The home and furnishings industry is competitive, fragmented and largely unorganized and our inability to compete effectively may adversely affect our business, results of operations, financial condition and cash flows.*

The home and furnishings industry in India is competitive, fragmented and largely unorganised and faces certain threats and challenges that impact scalability and profitability. Economic sensitivity, discretionary spending risks, and supply chain disruptions due to inflation and geopolitical issues may erode margins and disrupt operations. Regulatory and environmental compliance adds complexity, while intense competition and the bulky and long-term nature of our products create logistical hurdles and limit repeat purchases. Given the inherently low barriers to entry in these markets, a significant proportion of the home solutions products industry in India, and in particular, the mattresses and furniture industries is unorganised, with competitors running unbranded and smaller scale operations. Our unorganised competitors may incur lower operating expenses, given the size and scale of their operations and have a deeper retail reach in the territories that they operate in, than us. We cannot assure you that we can effectively compete with entities in the unorganised markets.

We also compete with various organised players in the home and furnishings industry. Some of our competitors may be larger than us, have more financial and other resources and have products with greater brand recognition than ours. Our competitors in certain regions may also have better access to raw materials required in our operations and may procure them at lower costs than us, and consequently be able to sell their products at lower prices. Some of our competitors may also sell inferior quality products at lower prices, thereby increasing pricing pressure on us. This competitive pricing strategy can lead to a perception of higher costs associated with our products, potentially driving customers towards cheaper alternatives. As a result, we cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that our business and results of operations will not be adversely affected by increased competition. Increased competition may lead to a reduction in our market share as competitors may introduce innovative products and employ aggressive pricing strategies. In addition, our competitors may significantly increase their advertising and brand building activities to promote their brands and products, which may require us to similarly increase our advertising and marketing expenses and engage in effective pricing strategies, which may have an adverse effect on our business, financial condition, cash flows and results of operations.

Further, the purchasing decisions of customers are highly subjective and can be influenced by many factors, such as pricing, brand image, customer service, retail experiences, social media presence, marketing programs and product offerings and features. Some of our competitors enjoy competitive advantages, including greater brand recognition and greater financial resources for competitive activities, such as sales, marketing and strategic acquisitions. Our competitors may enter into business combinations or alliances that strengthen their competitive positions or prevent us from taking advantage of such combinations or alliances. Our competitors may also be able to respond more quickly and effectively than we can to new or changing opportunities, standards or customer preferences. Our inability to compete effectively due to any of the above factors could affect our business, results of operations, financial condition and cash flows.

- 16. *We primarily rely on third party logistics service providers to transport our products, and any disruption in our transportation arrangements or increases in transportation costs may adversely affect our business, results of operations, financial condition and cash flows. In addition, we rely on a network of warehouses as intermediate delivery points and disruption to the operations of these warehouses may adversely affect our business, results of operations, financial condition and cash flows.***

We primarily rely on third party logistics service providers to transport our products between our manufacturing facilities and intermediate delivery points such as our warehouses and retail stores, or to transport some of our products to our customers. We transport our finished products by road and sea. Transportation strikes may have an adverse effect on supplies and deliveries to our customers. In addition, our products may be lost or damaged in transit for various reasons including occurrence of accidents, natural disasters or adverse weather conditions. There may also be a delay in delivery of our products which may also affect our business and results of operation negatively. Any failure to maintain continuous delivery of our products to our customers in an efficient and reliable manner could have an adverse effect on our business, financial condition, results of operations and cash flows. Any compensation received from insurers or third-party transportation providers may be insufficient to cover the cost of any delays and will not repair damage to our relationships with our affected customers. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on courier and delivery charges, which could have an adverse impact on our business, results of operations, financial condition and cash flows. We also rely on a network of warehouses as intermediate delivery points between our manufacturing facilities, retail stores, and customers. Any disruption in the operations of these warehouses either due to labour shortages, strikes, equipment failure, natural disasters, or adverse weather conditions could result in delays in the storage, handling, or dispatch of our products. Additionally, any damage or loss of inventory while in storage, or delays in transferring goods from warehouses to final destinations, could adversely affect our business, financial condition, results of operations, and cash flows. While we have not had instances of delays in deliveries due to any disruption in our transportation arrangement or increases in transportation costs or any disruptions in our warehouse operations in the three months period ended June 30, 2025 and the last three Fiscals which had an adverse impact on our business, results of operations, financial conditions and cash flows we cannot assure you that such instances will not occur in the future and any occurrence of the aforesaid could affect our business, results of operations, financial condition and cash flows. The table below sets forth details of our freight charges, which is also expressed as a percentage of our revenue from operations for the period/ years indicated:

Particulars	Three months period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Freight charges (₹ million)	202.55	759.96	753.50	707.22
Revenue from operations (₹ million)	2,925.19	11,342.50	10,952.96	10,574.87
Freight charges as a percentage of Revenue from operations	6.92%	6.70%	6.88%	6.69%

- 17. *We are reliant on our relationships with online marketplaces. Any increase in the cost of their services or their heightened focus on promoting private label brands could adversely affect our business, results of operations, financial condition and cash flows.***

We are reliant on online marketplaces, in addition to our own website, for the sale of our products. The table below sets forth our revenue from operations through ecommerce channels for the period/ years indicated:

Particulars	Three months period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from operations through ecommerce channels* (₹ million)	526.67	1,925.86	2,539.62	2,411.94
Revenue from operations through ecommerce channels as a percentage of our revenue from operations	18.00%	16.98%	23.19%	22.81%

* Ecommerce channels include our own websites as well as third party online marketplaces

If our competitors offer online marketplaces more favourable terms or have more products available to meet their needs or utilize the leverage of broader product lines to be sold through them, the online marketplaces may de-emphasize or decline to sell our products. We may also face significant competition from these marketplaces that promote other brands for various commercial reasons including promotion of their private label brands. These marketplaces have the advantage of controlling

the platform and can prioritize their own- or third-party products in search results, advertising, and promotions. This may lead to reduced visibility and sales for our products. Additionally, these marketplaces may offer similar or identical items at competitive prices. This may have an adverse impact on our market share and pricing power which could have an adverse impact on our business, results of operations, financial condition, and cash flows. Furthermore, an increase in commission or advertising costs by online marketplaces could lead to a reduction in our profit margins, which in turn could have an adverse impact on our business, results of operations, financial condition, and cash flows. We cannot assure you that we will be able to secure promotion of our products on online marketplaces, and our inability to do so may affect our brand visibility on these online marketplaces.

Further, we are also exposed to risks related to product deliveries by online marketplaces. Any incidents of delivery delays or unprofessional behaviour by the platform workers employed by these marketplaces could damage our brand image and adversely impact our business, results of operations, financial conditions, and cash flows. While we have not had incidents of delivery delays or unprofessional behaviour by platform workers employed at these marketplaces which had an adverse impact on our business, results of operations, financial conditions and cash flows in the three months period ended June 30, 2025 and the last three Fiscals, we cannot assure you that such incidents will not occur in the future.

18. *Our inability to effectively manage our growth or implement our growth strategies may have an adverse effect on our business, results of operations, financial condition and cash flows.*

Our growth strategies include the strategic expansion of our COCO Store network as well as expansion in our other existing channels and the refreshing of our website design to enhance our brand equity through targeted marketing initiatives, combined with innovative, data-driven product category expansion. For further information, see “*Our Business – Our Strategies*” on page 197. The implementation of these growth strategies will place significant demands on our management and other resources, necessitating continuous development and improvement of our operational, financial, and other internal controls to ensure effective execution and sustainability of these strategies. They may also require financial investment into the development of innovative products to facilitate the product category expansion. Our ability to manage future growth will depend on expanding, training, motivating and retaining qualified personnel, as well as strengthening our systems, procedures and controls. We cannot assure you that these measures will be sufficient to support our growth. Any failure to effectively manage our expansion could result in operational inefficiencies, higher costs, sunk costs owing to additional investment and reduced profitability and an adverse impact on our growth prospects. We cannot assure you that our future growth strategy will be successful or that we will be able to continue to expand further, at the same rate or at all. Our inability to implement our growth strategies could have an adverse effect on our business, results of operations, financial condition and cash flows.

19. *Our proposed expansion plans relating to the opening of new COCO Stores are subject to the risk of unanticipated delays in implementation and cost overruns.*

Our capital expenditure plans in relation to the expansion of our network of COCO Stores are subject to potential risks and uncertainties such as cost overruns or delays. Problems that could adversely affect our expansion plans include labour shortages, increased costs of equipment or manpower, delays in completion, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, increase in other expenses, not securing properties or lease or license rights to properties for proposed stores and other external factors which may not be within the control of our management. We cannot assure you that the proposed expansion will be completed as planned or on schedule, and if they are not completed in a timely manner, or at all, our budgeted costs may be insufficient to meet our proposed capital expenditure requirements. If our actual capital expenditure significantly exceeds our budgets, or even if our budgets were sufficient to cover such activities, we may not be able to achieve the intended economic benefits of such capital expenditure, which in turn may adversely affect our business, results of operations, financial condition, cash flows, and prospects. We cannot assure you that we will be able to complete the aforementioned expansion and additions in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

Further, we propose to utilise a portion of the Net Proceeds towards the capital expenditure to be incurred by our Company for expanding our network of COCO Stores. For further information, see “*Objects of the Offer*” on page 116. There is a risk of cost overruns, especially with COCO Stores located in new regions where we lack operating experience. Any unforeseen increases in construction costs, equipment prices, or other related expenses could lead to variations in the allocation of the Net Proceeds. Also, see “- *Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders’ approval.*” on page 56.

20. *Internal or external fraud or misconduct by our employees could adversely affect our reputation and our results of operations.*

We may be subject to instances of fraud, misappropriation, unauthorised acts and misconduct by our representatives and employees which may go unnoticed for certain periods of time before corrective action is taken. For example, during Fiscal 2025, we identified instances of employee misconduct involving kickbacks amounting to ₹38.24 million, received between November 2019 and November 2024. Following an internal investigation supported by an external consultant, the implicated employees acknowledged receipt of the kickbacks. We recovered ₹27.40 million and took disciplinary action, including

termination of the relevant employees. While our management and the Board of Directors have assessed the incident as an isolated incident and have implemented recommendations from the investigation report, there remains a risk that similar misconduct could occur in the future. Fraudulent and unauthorised conduct by our employees could also bind us to transactions that present significant risks to us. As a result, we may be subject to regulatory sanctions, brand and reputational damage or financial harm. It is not always possible to deter fraud or misconduct by employees and the precautions we take and the systems we have put in place to prevent and deter such activities may not be effective in all cases. Further, we employ third parties for certain operations and accordingly, we are exposed to the risk of theft and embezzlement. In addition, we may be subject to regulatory or other proceedings in connection with such acts by our employees, which could adversely affect our goodwill. Even if we identify instances of fraud, misappropriation, unauthorised acts and misconduct by our representatives and employees and pursue legal recourse or file claims, we cannot assure you that we will recover any amounts lost through such instances of fraud, misappropriation, unauthorised acts and misconduct by our representatives and employees. For details, see “*Outstanding Litigation and Other Material Developments*” on page 390. Such instances may arise in the future, and could adversely affect our business, results of operations, financial condition and cash flows.

21. ***There have been certain instances of delays in payment of statutory dues by us in the past. Any delay in payment of statutory dues by us in future, may result in the imposition of penalties and in turn may have an adverse effect on our business, financial condition, results of operation and cash flows.***

We are required to pay certain statutory dues including provident fund contributions, employee state insurance contributions (“**ESIC**”), professional taxes, labour welfare fund, goods and services tax (“**GST**”), tax deducted at source (“**TDS**”), tax collected at source (“**TCS**”) and income tax. The table below sets forth details of the statutory dues payable by us:

Particulars	Number of employees as of June 30, 2025	Three months period ended June 30, 2025 (₹ million)	Number of employees as of March 31, 2025	Fiscal 2025 (₹ million)	Number of employees as of March 31, 2024	Fiscal 2024 (₹ million)	Number of employees as of March 31, 2023	Fiscal 2023 (₹ million)
Employee Provident Fund	761	19.50	763	72.41	813	70.71	865	71.96
Employee State Insurance Contributions	54	0.14	55	0.62	95	1.03	150	1.03
Labour Welfare Fund	781	0.02	741	0.04	851	0.05	896	0.05
Professional Tax	546	0.32	754	1.80	795	1.91	631	1.80
Tax Deducted at Source on Salaries	141	39.95	155	103.78	196	86.58	191	86.91

The table below sets forth the details of delays in statutory dues payable by us:

Particulars	Three months period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount Delayed (₹ million)	Number of Instances	Amount Delayed (₹ million)	Number of Instances	Amount Delayed (₹ million)	Number of Instances	Amount Delayed (₹ million)	Number of Instances
Employee Provident Fund ⁽¹⁾	0.18	3	0.16	12	0.11	12	0.05	12
ESIC ⁽¹⁾	Nil	Nil	0.11	3	0.01	6	0.03	11
Labour Welfare Fund ⁽¹⁾	0.00	1	0.01	1	0.03	2	0.01	2
Professional Tax ⁽¹⁾	0.16	3	0.01	1	0.13	3	0.03	14
Goods and Service Tax ⁽¹⁾	Nil	Nil	Nil	Nil	Nil	Nil	30.78	1
Tax Deducted at Source ⁽¹⁾	Nil	Nil	0.87	1	0.38	2	0.74	8
TCS ⁽¹⁾	0.10	1	Nil	Nil	Nil	Nil	Nil	Nil

(1) *Delays are attributable to instances which occur in the ordinary course of making such payments, including due to administrative or logistical issues, clerical errors, technical difficulties.*

While we have paid the fines and/or penalties in connection with the delays in payment of statutory dues for the periods indicated above, we cannot assure you that we will not be subject to such penalties and fines in the future for delays in payment of statutory dues, which may have an adverse impact on our business, results of operations, financial condition and cash flows.

22. *The auditor's report on our audited financial statements for Fiscal 2025, Fiscal 2024 and Fiscal 2023 contains certain remarks which do not require any corrective adjustments in the Restated Consolidated Financial Information.*

The auditor's reports on our audited financial statements for Fiscals 2025, 2024 and 2023 contain certain remarks which do not require any corrective adjustments in the Restated Consolidated Financial Information. These remarks include the below:

- our quarterly returns or statements filed with banks or financial institutions, which we are obligated to file since we have been sanctioned working capital limits in excess of ₹ 50,000,000, were not reconciled with the books of accounts for Fiscal 2025, Fiscal 2024 and Fiscal 2023 for certain periods which were subsequently rectified. Additionally, similar discrepancies were noted for Fiscal 2025 in the case of one of our subsidiaries, which was also subsequently rectified. We have subsequently strengthened our internal review procedures to prevent such discrepancies in the future;
- in relation to cash losses incurred by three of our subsidiaries in Fiscal 2023; and
- audit trails (edit logs) not being enabled for certain fields/changes in the accounting software used for maintaining our books of accounts for Fiscal 2025 and Fiscal 2024 due to which we have failed to comply with record retention requirements. We are rectifying this issue by shifting to the SAP software to maintain all accounting and related records, effective from October 31, 2025. The Board has noted the implementation of the SAP software and related controls, including the audit trail functionality.

For further information, see "*Restated Consolidated Financial Information – Annexure VI*" beginning on page 294. Such observations did not require any corrective adjustment in the Restated Consolidated Financial Information. We cannot assure you that our audit reports for any future periods will not contain qualifications, emphasis of matters or other observations which affect our results of operations in such future periods.

23. *Improper handling, processing or storage of our raw materials or products, or spoilage of and damage to such raw materials and products, could damage our reputation and have an adverse effect on our business, results of operations, financial condition and cash flows.*

Our key raw materials, such as toluene diisocyanate ("TDI") and polyols, as well as the products that we manufacture are subject to risks such as contamination and tampering during their manufacture, transport or storage. Although raw materials procured by us are extensively tested at our facilities, we cannot assure you that quality tests conducted by us will be accurate at all times. Also, certain of our other raw materials such as TDI and polyols are required to be stored, handled and transported at specific temperatures and under certain safety conditions. Any shortcoming in the production or storage of our products due to negligence, human error or otherwise, may damage our products and result in non-compliance with applicable quality standards. Any allegation that our products do not match requisite quality standards could damage our reputation, adversely affect our sales and result in legal proceedings being initiated against us, irrespective of whether such allegations have any factual basis.

We also sell certain of our products, such as commercial branded foam directly to institutional customers and if the end products manufactured by those customers are found to be contaminated on account of our foams, our customers may return our goods, terminate their relationships with us and initiate legal proceedings against us. While we have not experienced any instances of contaminated foams in the three months period ended June 30, 2025 and in the last three Fiscals we cannot assure you that such instances will not occur in the future and any occurrence of the aforesaid could affect our business, results of operations, financial condition and cash flows which may be subject to product liability claims. Should any of our products be perceived or found to be contaminated, we may be subject to regulatory action, product recalls and our reputation, business, results of operations, financial condition and may be adversely affected.

24. *Reliance on celebrities and social media influencers as part of our marketing strategy may adversely affect our business and demand for our services.*

Our marketing strategies include engaging influencers, entering into celebrity endorsement agreements and maintaining a presence on social media platforms on whom we rely upon for our marketing and endorsement. For further details, see "*Our Business—Business Operations—Marketing and Promotion*" on page 207.

The risks of engaging with influencers and celebrities include:

- any deterioration in our relationship with our celebrities and influencer network or damage to the reputation of such influencers or celebrities; our relationships with influencers may not always include contractual commitments to continue to be supportive of our brands or products, and there can be no assurance that they will continue to do so; for example, changes in trends, customer sentiment or public perceptions of brands could adversely impact our relationships with influencers;

- any negative publicity created by current influencers or celebrities whom we formerly engaged or who is no longer supportive of our brands;
- celebrities or influences (including their supporters) could engage in behaviour damaging their reputation;
- if we were held responsible for the content of posts by influencers or their actions, and such posts were found to be illegal or inappropriate, we could be fined or forced to alter our practices, even when we may not always prescribe what our influencers post or act or promote;
- influencers may use their platforms to communicate directly with our customers without our knowledge in a manner that reflects poorly on our brands and may be attributed to us; and
- any drop in celebrities' or influencers' satisfaction to endorse our products, brand, our platform, or customer experience.

As social media platforms continue to rapidly evolve and new platforms continue to develop, we must continue to maintain a strong presence on these platforms and stay relevant on new or emerging trends on popular social media platforms. Our target customers often believe readily available information and any negative commentary could drive large-scale social media campaigns and posts against us, our products or brands, whether motivated or otherwise, and result in customer boycotts, without further investigation and without regard to accuracy of facts. It is not possible for us to prevent or moderate such behaviour, and the precautions we take to detect or restrict this activity may not be effective in all cases. The harm may be immediate and may be long-lasting, without affording us an opportunity for redress or correction. Impersonated or fake ecommerce platforms or websites, and fake social media pages and accounts, fake customer service calls impersonating themselves as associated with our brand or business or selling our brand of products may lead to fraud and dissatisfied customers.

Furthermore, as laws, regulations, policies governing digital platforms and public opinion rapidly evolve to govern the use of these platforms, the failure by us, our employees, our network of influencers or any third parties acting at our direction to abide by applicable laws, regulations, policies and guidelines (such as certain guidelines prescribed under the Advertising Standards Council of India ("ASCI") Code of Self-Regulation (the "ASCI Guidelines")) in the use of these platforms or in the process of content creation for us or otherwise could subject us to regulatory investigations, liability, fines or other penalties and have an adverse effect on our business, financial condition, cash flows and results of operations. In addition, an increase in the use of social media for product promotion and marketing may cause an increase in the burden on us to monitor compliance of such materials and content. Also, it increases the risk that such materials could contain product restricted by local regulations, or otherwise, or marketing claims in violation of applicable regulations. While we have not faced any such instances in the three months period ended June 30, 2025 and the last three Fiscals which had an adverse impact on our business, results of operations, financial conditions and cash flows we cannot assure you that such instances will not occur in the future and any occurrence of the aforesaid could affect our business, results of operations, financial condition and cash flows.

Also, the costs to enter into relationships with influencers and celebrities or engage in sponsorship initiatives may also increase over time, which may also negatively impact our margins, cash flows and results of operations. Also if we are unable to cost-effectively use social media platforms as marketing tools or if the platforms we use change their policies or algorithms, we may not be able to fully optimize such platforms, and our ability to maintain and acquire customer and our financial condition may be impacted.

25. *Our business requires working capital. Any failure in arranging adequate working capital for our operations may adversely affect our business, results of operations, cash flows and financial condition.*

We require working capital for purchasing key raw materials. The table below sets forth details regarding our Net working capital days for the period/years indicated:

Particulars	Three months period ended as at June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
	(₹ millions, unless otherwise stated)			
Inventories (I)	1,063.41	1,003.87	882.56	1,016.57
Trade receivables (II)	1,082.52	902.42	753.08	784.84
Trade payables (III)	1,840.81	1,598.47	1,186.44	1,422.29
Net working capital (I+II-III)	305.12	307.82	449.20	379.12
Average net working capital (IV)	306.47	378.51	414.16	539.20
Revenue from operations (V)	2,925.19	11,342.50	10,952.96	10,574.87
Net working capital days ⁽¹⁾ (IV/V)* (no. of days in the period/ year)	9.53	12.18	13.84	18.61

Notes:

1. Net working capital days is calculated as (Average Net working capital divided by Revenue from operations)*no. of days in a year. However, for the three months period ended June 30, 2025, Net working capital days is calculated as (Average Net working capital divided by Revenue from

operations)*91. Net working capital is calculated as Inventories plus Trade Receivables minus Trade Payables. Average Net Working Capital is calculated as the (Net Working Capital as of the current year/period + Net Working Capital as of the previous year/period)/2

*Please see "Other Financial Information - Reconciliation of Non-GAAP Financial Measures" on page 347 for further details.

Our working capital requirements are funded from operating cashflows and short-term borrowings may increase if the payment terms in our arrangements with our general trade distributors, including reduced advance payments or longer payment schedules, change or conversely if payment terms from our suppliers change, such as an increase in advance payments or shorter credit period. These factors may result in increases in the amount of, our receivables, short-term borrowings and the cost of availing such working capital funding. Additionally, our inability to obtain adequate amount of working capital at such terms which are favourable to us and in a timely manner or at all may also have an adverse effect on our financial condition. While we have not experienced this in the three months period ended June 30, 2025, and in the last three Fiscals which had an adverse impact on our business, results of operations, financial condition and cash flows, we cannot assure you that such instances will not arise in the future. Continued increases in our working capital requirements may have an adverse effect on our business, results of operations, financial condition and cash flows.

26. Our inability to accurately manage inventory and forecast demand for our products may have an adverse effect on our business, results of operations, financial condition and cash flows.

Demand for our products is forecasted using past trends and anticipated demand patterns. Data from our sales and marketing channels is analysed to inform product design, optimise inventory, align manufacturing schedules, and streamline raw material procurement. These insights also support broader operational and strategic decisions, helping us improve efficiency, reduce costs, and adapt to evolving customer preferences. Any inaccuracy or our inability to accurately collect and analyse this data may result in our forecasts and estimates as well as business plans to be inaccurate and incorrect. If we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products available for sale. If we underestimate demand, we may manufacture fewer products than required, which could result in the loss of business and dissatisfied customers, which could adversely affect our goodwill. If we overestimate demand, any unsold inventory may have to be sold at a discount or discarded, potentially leading to losses. We cannot assure you that we will be able to sell surplus stock in a timely manner, or at all, which in turn may adversely affect our business, results of operations, financial condition and cash flows. Although our technology-enabled distribution model is designed to minimize under-stocking and over-stocking, our estimates and forecasts may not always be precise. Inaccurate demand forecasting could result in either excess inventory or insufficient product availability.

The table below sets forth details of certain parameters as of the dates indicated:

Particulars	As at June 30, 2025	As at March 31,		
		2025	2024	2023
Inventories (₹ million)	1,063.41	1,003.87	882.56	1,016.57
Total current assets (₹ million)	4,280.84	4,137.68	3,260.19	4,592.37
Inventories as a percentage of Total current assets (%)	24.84%	24.26%	27.07%	22.14%
Inventory turnover ratio ^{*(1)}	6.33	6.86	6.46	5.50
Net working capital days ^{*(2)}	9.53	12.18	13.84	18.61

Notes:

- Inventory turnover ratio is calculated as (cost of materials consumed plus purchase of stock in trade plus changes in inventories) divided by average inventory ((Current year/period inventory + inventory as of the previous year/period)/2).
- Net working capital days is calculated as (Average Net working capital divided by Revenue from operations) * no. of days in a year. However, for the three months period ended June 30, 2025, Net working capital days is calculated as (Average Net working capital divided by Revenue from operations)
- * 91. Net working capital is calculated as Inventories plus Trade Receivables minus Trade Payables. Average Net working capital is calculated as (Beginning Net Working Capital + Ending Net Working Capital)/2
- *Please see "Other Financial Information - Reconciliation of Non-GAAP Financial Measures" on page 347 for further details.

27. Our business is manpower intensive. Our business may be adversely affected by work stoppages, strikes, lockouts, increased wage demands by our employees, or an increase in minimum wages, and if we are unable to engage new employees at commercially attractive terms.

Our operations are manpower intensive and we are dependent on our workforce for a significant portion of our operations. The success of our operations depends on the availability of and maintaining good relationships with our workforce. Shortage of workforce or disruptions caused by disagreements with workforce could have an adverse effect on our business, results of operations, financial condition and cash flows. Further, certain of our workmen are part of the 'Duroflex Employees' Union' and pursuant to a memorandum of settlement dated March 22, 2024, under Section 12(3) of the Industrial Disputes Act, 1947, ("Settlement"), we are required to implement the terms of the Settlement till March 31, 2026. Some of the requirements inter-alia include adherence to safety norms, provision of agreed upon wages on a year-on-year basis, and implementation of workman welfare benefits. In case we are unable to implement any of the conditions included in the Settlement, we may be subject to penalties and other adverse actions from the concerned labour department. Further, a trade union by the name Krishnagiri Mavatta Anaithu Thozhilalar Sangam has raised a dispute against our Company citing certain demands, some of which *inter alia* include, permanency of workers at Manufacturing Facility III, provision of medical and shift allowance, provision of expenses in relation to marriage, funeral expenses etc. Due to our resistance towards some of these demands, the

said trade union has sought relief through filing of a writ petition before the High Court of Madras in this regard and the case is currently pending. While we have not experienced any labour unrest in the three months period ended June 30, 2025 and the last three Fiscals, which had an adverse impact on our business, results of operations, financial condition and cash flows we cannot assure you that we will not experience disruptions in work or our operations due to disputes, strikes, work stoppages, work slow-downs or lockouts at our manufacturing units or other problems with our work force, which may adversely affect our ability to continue our business operations. Any labour unrest could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations.

In particular, our success also depends on our ability to attract, hire, train and retain skilled manufacturing personnel. Our inability to recruit, train and retain suitably qualified and skilled personnel could adversely impact our business, results of operations, financial condition and cash flows. We were supported by 2,111 employees out of which 797 permanent employees and 1,314 were contract labourers as on June 30, 2025. For further details, see “*Our Business – Employees*” on page 219. The following table sets forth the details regarding rate of attrition of our permanent employees in the period/years indicated:

Particulars	As at / for the three months period ended June 30, 2025	As at/ for the year ended March 31, 2025	As at/ for the year ended March 31, 2024	As at/ for the year ended March 31, 2023
Number of permanent employees	797	781	823	831
Attrition rate of our permanent employees	23.00%	23.00%	22.00%	21.00%

Note: Attrition rate has been computed based on permanent employees who were active at the start of the period and left the organization during the same period. Attrition rate for the three months ended June 30, 2025 is annualized.

Our employee attrition is primarily concentrated among store employees, call centre, shop floor trainees and associates, and is in the ordinary course of business for our industry. We cannot assure you that attrition rates for our employees will not increase. Further, we are subject to stringent labour laws, and any violation of these laws may lead regulators or other authorities to order a suspension of certain or all of our operations. We may need to increase compensation and other benefits either to attract and retain key personnel or due to increased wage demands by our employees, or an increase in minimum wages and that may adversely affect our business, results of operations, financial condition and cash flows. The following table sets forth the details regarding our employee benefits expense in the period/years indicated:

Particulars	Three months period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Employee benefits expense (₹ million)	288.10	966.91	986.65	969.40
Revenue from operations (₹ million)	2,925.19	11,342.50	10,952.96	10,574.87
Employee benefits expense as a percentage of revenue from operations	9.85%	8.52%	9.01%	9.17%

Additionally, we have 1,314 contract labourers as of June 30, 2025 whom we hire to carry out certain of our operations. While we hire such contract labour through independent contractors, we may be held responsible for paying the wages of such workers, if the independent contractors’ default on their obligations, and such obligations could have an adverse effect on our business, results of operations, financial conditions and cash flows.

We are also subject to the laws and regulations governing employees and labour, including in relation to minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits. We have incurred and expect to continue incurring costs for compliance with such laws and regulations. We have also made and expect to continue making capital and revenue expenditures on an on-going basis to comply with all applicable environmental, health and safety and labour laws and regulations. Except for not obtaining licenses the relevant registrations under the applicable shops and establishment act and trade licenses under the applicable municipal law for certain of our COCO Stores and our warehouses along with non-procurement of professional tax registrations for certain states where we operate, we have not been found to be materially non-compliant with any such environmental, health and safety and labour law and regulations in the past. For further details see “*Government and Other Approvals*” on 400 and “*- Failure to obtain or renew approvals, licenses, registrations and permits to operate our business in a timely manner, or at all, may adversely affect our business, financial condition, results of operations and cash flow*” on 51. However, we cannot assure you that we will not be found to be in non-compliance with, or remain in compliance with all applicable environmental, health and safety and labour laws and regulations or the terms and conditions of any consents or permits in the future or that such compliance will not result in a curtailment of production or a material increase in the costs of production. We do not carry any insurance to cover environmental losses and liabilities. The manufacturing of our products is a labour-intensive business.

Labour costs in India have been increasing in recent years and may continue to increase in the future. An increase in labour costs may affect our profitability and force us to reduce our workforce. If we fail to retain our existing workforce and/or recruit sufficient workforce in a timely manner, we may not be able to accommodate sudden increases in demand for our products. Further, if we are unable to manufacture and deliver our products in a timely manner or if we are unable to implement our expansion plans due to the lack of manpower, our business, results of operations, financial condition and cash flows may be adversely affected. Furthermore, a portion of our workforce is represented by a trade union, the Duroflex Employees Union.

While we have not faced any instances of disputes, work stoppages, or industrial actions in relation to this trade union in the three months period ended June 30, 2025 and in the last three Fiscals which had an adverse impact on our business, results of operations, financial condition and cash flows, we cannot assure you that such instances will not arise in the future.

28. *Non-compliance with and changes in, safety and environmental laws and other applicable regulations, may adversely affect our operations. Further, an increase in labour costs may adversely affect our business, results of operations, financial condition and cash flows.*

We are subject to laws and government regulations, including in relation to safety and environmental protection. These laws and regulations impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other aspects of our manufacturing operations. For details on regulations and policies applicable to our business, see “*Key Regulations and Policies*” on page 223. We handle and use hazardous materials in our manufacturing activities and the improper handling or storage of these materials could result in accidents, injure our personnel, property, damage the environment and revocation of approvals.

Laws and regulations may limit the amount of hazardous and pollutant discharge that our manufacturing plants may release into the air and water. The discharge of materials that are chemical in nature or of other hazardous substances into the air, soil or water beyond these limits may cause us to be liable to regulatory bodies or third parties. While we have not discharged our effluents from our manufacturing plants beyond prescribed limits in the past, we cannot assure you that we will not breach such limits in the future, which may require us to shut down our manufacturing facilities, which in turn could lead to product shortages that delay or prevent us from fulfilling our obligations to customers.

Our manufacturing operations involve the handling of hazardous chemicals and are subject to extensive environmental, health, and safety regulations, including the Factories Act, 1948; the Environment (Protection) Act, 1986; the Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989; the Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996; and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. We are also required to comply with the Air (Prevention and Control of Pollution) Act, 1981 and the Water (Prevention and Control of Pollution) Act, 1974, which govern emissions and effluents from our foam production processes. In addition, we must obtain and maintain consents to operate from the Central and State Pollution Control Boards (CPCB/SPCB). Failure to comply with these regulations may result in fines, penalties, operational restrictions, or reputational damage. Moreover, changes in regulatory requirements or increased enforcement could lead to higher compliance costs or require modifications to our manufacturing processes. Any lapses in safety procedures, particularly in the handling of hazardous inputs such as Toluene Diisocyanate (“TDI”), could result in accidents, legal liability, or disruption of operations. While we have not faced any instances in the three months period ended June 30, 2025 and the last three Fiscals which had an adverse impact on our business, results of operations, financial conditions and cash flows we cannot assure you that such instances will not occur in the future and any occurrence of the aforesaid could affect our business, results of operations, financial condition and cash flows.

Further, the Government of India may implement new laws or other regulations and policies in relation to the products which we sell, which could lead to new compliance requirements which could have an adverse impact on our business, results of operations, financial condition and cash flows. For example, the Furniture (Quality Control) Order, 2025 was notified on February 13, 2025 and will be effective from February 13, 2026. As per the Furniture (Quality Control) Order, 2025, compliance with BIS standards and obtaining the relevant certification have become mandatory for the sale of specified furniture products, including work chairs, general purpose chairs and stools, tables and desks, storage units, beds and bunk beds. The bureau under the Ministry of Commerce and Industry in India will have the authority to certify some of the specified furniture products which are currently being manufactured and sold by us. Any non-compliance with these regulations could result in legal penalties and restrictions on sales, which could have an adverse impact on our business, results of operations, financial condition and cash flows. Further, any similar directive, if issued for mattresses, could result in increased compliance costs. These costs could stem from having to modify our production processes, invest in new technologies, obtain necessary certificates or undergo additional quality checks to meet the new standards which could have an adverse impact on our business, results of operations, financial condition and cash flows.

29. *Sales of our products are affected by seasonality, particularly during the festive and wedding seasons and ecommerce sale events during which our sales are comparatively higher, which could result in fluctuations in our operating results.*

Sales of our products are affected by seasonality, particularly during the festive and wedding seasons in the third fiscal quarter, where there is typically higher demand for our products, as well as due to ecommerce sale events during the first fiscal quarter. Competitive pressures during these high volume periods can also result in lower average selling prices per unit. As a result, our results of operations are likely to fluctuate from period to period and comparisons of our revenue and results of operations within a single Fiscal may not necessarily be meaningful and should not be relied on as indicators of our performance for any future fiscal period. Further, demand for our products, including mattresses, furniture, and furnishings, as well as the products of our customers to which branded foam is an input, tends to increase significantly during these periods. If we are unable to accurately forecast and manage this increased demand, we may face stockouts or delayed deliveries. Additionally, any

disruptions in our supply chain or production processes during these peak periods can have an adverse impact on our operations. Failure to effectively manage seasonal fluctuations could adversely affect our business, results of operations, financial condition, and cash flows. While we have not experienced any such issues in the three months period ended June 30, 2025 and in the last three Fiscals which had an adverse impact on our business, results of operations, financial condition and cash flows, we cannot assure you that such instances will not arise in the future.

30. *We are exposed to customer complaints and our failure to address these complaints in a timely manner could lead to litigation, which may adversely affect our business, results of operations, financial condition, and cash flows.*

We receive complaints from our customers in the course of delivering our products to them. We receive such complaints through various portals including our website and customer helpline. Such complaints may be made against us on grounds of alleged deficiency in products (arising from different perceptions of results compared to that marketed or advertised). We may also be liable for claims from our customers if our products are found to be defective or unfit for their intended purposes. While we have not been subject to complaints apart from in the ordinary course of business regarding our products in the three months period ended June 30, 2025 and the last three Fiscals which had an adverse impact on our business, results of operations, financial conditions and cash flows we cannot assure you that such instances will not occur in the future and any occurrence of the aforesaid could affect our business, results of operations, financial condition and cash flows. Such events may generate negative publicity concerning our product quality, reduce customers' confidence in our products and negatively impact our reputation. As a result, our business, profitability and financial performance may be adversely affected and we may also have to incur additional costs to restore our image and reputation. In the event that complaints from our customers escalate into legal claims, our image and market reputation could be adversely affected. In addition, resources such as time and legal costs would have to be utilized and incurred to address such claims, thereby further affecting our business and financial performance. We cannot assure you that further litigation would not be brought against us in the future. Our liabilities in respect of such claims could have an adverse effect on our business, financial condition and results of operations.

Further, while we have adopted a return and refund policy to resolve consumer complaints, our failure to address complaints from customers can result in negative reviews and customer dissatisfaction which could have an adverse effect on our business, results of operations, financial conditions and cash flows.

31. *We incurred a loss in Fiscal 2023 and may incur additional losses in the future which could adversely affect our financial conditions and results of operations.*

We incurred loss for the year amounting to ₹ 154.74 million in Fiscal 2023. Our loss for the year was primarily on account of significant expenses incurred during the year, in particular, cost of goods sold, employee benefits expense and other expenses. For further information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations - Fiscal 2024 Compared to Fiscal 2023" on page 379. We cannot assure you that we will not incur losses in the future. Any such losses in the future may adversely affect our business, results of operations, financial condition and cash flows.

32. *Our Company, Directors, Subsidiaries, Key Managerial Personnel, Senior Management and Promoters are and may be involved in certain legal and regulatory proceedings. Any adverse decision in such proceedings may have an adverse effect on our business, financial condition, cash flows and results of operations.*

There are outstanding legal and regulatory proceedings involving our Company, Directors, Subsidiaries, Key Managerial Personnel, Senior Management and Promoters which are pending at different levels of adjudication before various courts, tribunals and other authorities. The amounts claimed in these proceedings have been disclosed to the extent that such amounts are ascertainable and quantifiable and include amounts claimed jointly and severally, as applicable. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, continuity of our management, business, cash flows, financial condition and results of operations. The summary of such outstanding material legal and regulatory proceedings as on the date of this Draft Red Herring Prospectus is set out below:

Category of individuals / entities	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigations	Aggregate amount involved (in ₹ million) ⁽¹⁾
Company						
By our Company	3 [^]	NA	NA	NA	Nil	9.64
Against our Company	2	11 [@]	Nil	NA	2	707.41 [*]
Subsidiaries						
By our Subsidiaries	Nil	NA	NA	NA	Nil	Nil
Against our Subsidiaries	1	2 [§]	Nil	NA	Nil	145.19 ^{&}
Directors[#]						
By our Directors	Nil	NA	NA	NA	Nil	Nil

Category of individuals / entities	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigations	Aggregate amount involved (in ₹ million) ⁽¹⁾
Against our Directors	Nil	Nil	Nil	NA	Nil	Nil
Promoters						
By our Promoters	Nil	NA	Nil	NA	Nil	Nil
Against our Promoters	1	Nil	Nil	Nil	1	8.32

(1) To the extent ascertainable and quantifiable.

Other than the Directors who are also the Promoters of our Company.

^ Includes cases filed under the NI Act.

@ Includes 1 direct tax litigation and 10 indirect tax litigations.

* Includes 2 direct tax litigations.

*Excludes ₹15.73 million paid by our Company as mandatory pre-deposits as protest. For details see – “Outstanding Litigation and Other Material Developments - Material Tax litigation - Material tax litigation involving our Company - Material indirect tax litigation involving our Company” on page 395.

& Excludes ₹29.03 million paid by Shivarna as mandatory pre-deposits as protest. For details see “Outstanding Litigation and Other Material Developments - Material Tax litigation - Material tax litigation involving our Subsidiaries - Material direct tax litigation involving our Subsidiaries” on page 398.

Category of individuals	Criminal proceedings	Statutory or regulatory proceedings	Aggregate amount involved (in ₹ million) ⁽¹⁾
Key Managerial Personnel⁽²⁾			
By our Key Managerial Personnel	Nil	N.A.	Nil
Against our Key Managerial Personnel	2	Nil	Nil
Senior Management			
By our Senior Management	Nil	N.A.	Nil
Against our Senior Management	Nil	Nil	Nil

(1) To the extent ascertainable and quantifiable.

(2) Other than the Key Managerial Personnel who are also the Promoters of our Company.

We cannot assure you that any of these matters will be settled in favour of our Company or that no additional liability will arise out of these proceedings. An adverse outcome in any of these proceedings may have an adverse effect on our business, financial position, prospects, cash flows, results of operations and our reputation. For further information, see “Outstanding Litigation and Other Material Developments” on page 390.

33. **Failure to obtain or renew approvals, licenses, registrations and permits to operate our business in a timely manner, or at all, may adversely affect our business, financial condition, results of operations and cash flows.**

We are required to obtain certain approvals, registrations, permissions and licenses from regulatory authorities, to undertake our operations including environmental approvals, shops and establishments license, factory licenses and labour and tax related approvals. For further information on the nature of approvals and licenses required for our business and details of their validity, see “Government and Other Approvals” on page 400. Certain material approvals of our Company may have lapsed or expired or may lapse in the ordinary course of business, from time to time, and we have either already made applications to the appropriate authorities for renewal of such material approvals in accordance with applicable law and requirements and procedure or are in the process of making an application for renewal. Additionally, for certain of our COCO Stores, some of the material approvals, such as trade licenses under the applicable municipal law and for the shops and establishment licenses applicable to us under the applicable shops and establishment acts, our Company is yet to make the relevant applications. Similarly, we are yet to make applications to obtain professional tax registrations for certain states where we operate. We are in the process of making such applications. Additionally, in relation to a bonus issuance made on September 25, 2025, while we have filed the Form FC-GPR with the RBI, we are yet to receive the approval from the RBI in relation to the same. For further information, please refer to “Capital Structure” on page 85.

Further, we have and may need to in the future, apply for certain additional approvals, including the renewal of approvals, which may expire from time to time. We have, inter alia, made applications for certain approvals which are pending as on the date of this Draft Red Herring Prospectus. For instance, we have applied for relevant registrations under the, shops and establishment licenses under the relevant state regulations for certain of our warehouses and our COCO Stores, and trade licenses for certain of our warehouses and our COCO Stores. For details, see “Government and Other Approvals” on page 400. While we have not faced any instances of failure to receive any approvals and licenses or have any approvals cancelled or withdrawn by relevant government authorities in the three months period ended June 30, 2025 and the last three Fiscals which had an adverse impact on our business, results of operations, financial conditions and cash flows we cannot assure you that such instances will not occur in the future and any occurrence of the aforesaid could affect our business, results of operations, financial condition and cash flows. Failure to obtain or renew such approvals and licenses in a timely manner would make our operations non-compliant with applicable laws and may result in the imposition of penalties by relevant authorities and may also prevent us from carrying out our business.

34. We are unable to trace some of our historical records including forms filed with the RoC. There is no assurance that regulatory proceedings or actions will not be initiated against us in the future and that we will not be subject to any penalty imposed by the competent regulatory authority in this regard.

Certain of our Company's corporate regulatory filings and records are not traceable and not available in the records maintained by our Company or in the physical or digital records of the RoC. The following documents in relation to certain corporate actions undertaken by our Company as mentioned hereunder are untraceable:

- (i) Form 1 with challan in relation to the initial subscription of the Company pursuant to the MoA;
- (ii) Form 18 with challan with respect to registration of registered office of the Company pursuant to incorporation of the Company.
- (iii) Form 2, along with challans and the list of allottees filed by the Company for the allotment of:
 - (a) 3,400 equity shares of face value ₹ 10 each dated November 24, 1981;
 - (b) 75,260 equity shares of face value ₹ 10 each dated January 29, 1983;
 - (c) 10,750 equity shares of face value ₹ 10 each dated December 26, 1987; and
 - (d) 70,500 equity shares of face value ₹ 10 each dated April 25, 1988;
- (iv) The challan for Form-2 filed by the Company for the allotment of:
 - (a) 160,010 equity shares of face value ₹ 10 each dated February 20, 1992;
 - (b) 480,030 equity shares of face value ₹ 10 each dated October 1, 1993;
 - (c) 800,050 equity shares of face value ₹ 10 each dated September 1, 1994;
 - (d) 1,200,075 equity shares of face value ₹ 10 each dated July 22, 1995; and
 - (e) 1,651,108 equity shares of face value of ₹ 10 each dated February 9, 2008.
- (v) Form 7B filed in relation to the transfer of 211,496 equity shares of face value ₹ 10 each by Annie Chandy Mathew to Mathew Chandy dated February 2, 2008.
- (vi) The challan for Form 21 in relation to the order passed by the Company Law Board dated July 10, 2007

We engaged a firm of independent practicing company secretaries, HVS & Associates, Company Secretaries, that conducted a physical search of our records at the offices of the RoC and have issued a report on such search dated October 14, 2025 (the "**RoC Search Report**"). However, we have not been able to retrieve such documents at the Company's premises and from the RoC digital records, and accordingly, have relied on the RoC Search Report and other supporting documents available in our records, including the resolutions passed by our Board or Shareholders in their meetings, as applicable and statutory registers of the Company. For further details, see "*Capital Structure – Notes to the capital structure – Share capital history of our Company – Equity share capital*" on page 86. Further, our Company has sent a letter dated October 14, 2025 to the Registrar of Companies, Kerala at Ernakulum, informing them about our inability to trace the corporate regulatory filings and records required to be filed or filed as above with them. As of the date of this Draft Red Herring Prospectus, no legal proceedings or regulatory action has been initiated by any regulatory or statutory authority (including the RoC) in respect of the untraceable corporate regulatory filings and records. However, we cannot assure you that no proceedings may be initiated in this regard in the future.

35. Some of our gift deeds in relation to share transfers between our Promoters and members of our Promoter Group and certain of the share transfer forms are not duly stamped and these documents may not be admissible as evidence in any Indian court or may attract a penalty in this regard.

Some of the gift deeds executed in relation to the transfer of equity shares of our Company involving our Promoters and members of our Promoter Group are signed but not duly stamped. Additionally, certain of the share transfer forms filed in relation to the transfer of equity shares by our Promoters are not stamped. For further details, please see "*Capital Structure – History of the equity share capital held by our Promoters – Buildup of the shareholding of our Promoters in our Company*" on page 103. As per the requirements set out under Section 35 of the Indian Stamp Act, 1899, unstamped instruments (including gift deeds and share transfer forms) may not be admissible as acceptable evidence in any Indian Court. While the validity of such gift deeds and share transfer forms have not been challenged as on date, we cannot assure you that these instruments will be admissible as acceptable evidence in any Indian court.

36. We have incurred indebtedness and an inability to obtain further financing or to comply with repayment and other covenants in our financing agreements could adversely affect our business, results of operations, financial condition and cash flows.

We have entered into various financing arrangements with various lenders for short-term and long-term facilities. The table below sets forth certain information of our borrowings and interest on financial liabilities measured at amortized cost on borrowing from banks, as of and for the period/years as indicated:

Particulars	As at/ for the three months period ended June 30, 2025	As at/ for the year ended March 31, 2025	As at/ for the year ended March 31, 2024	As at/ for the year ended March 31, 2023
Current Borrowings (₹ million)	51.87	61.49	134.62	1,309.33
Non-current Borrowings (₹ million)	24.56	36.48	97.54	231.68
Interest on financial liabilities measured at amortized cost - borrowings from banks (₹ million)	2.35	18.44	42.40	120.00

Our ability to pay interest and repay the principal for our indebtedness is dependent upon our ability to generate sufficient cash flows to service such debt. Any additional indebtedness we incur may have consequences, including, requiring us to use a significant portion of our cash flow from operations and other available cash to service our indebtedness, thereby reducing the funds available for other purposes, including capital expenditure and reducing our flexibility in planning for or reacting to changes in our business, competition pressures and market conditions.

Our financing arrangement include conditions that require us to obtain respective lenders' consent prior to carrying out certain activities and entering into certain transactions including but not limited to undertaking the Offer (and subsequently accessing the capital markets in connection thereto) and shareholding pattern of our Company), reduction, sale or dilution in the shareholding of the promoters and promoter group, and/or other existing shareholders of our Company, change in control/ ownership, changes in beneficial ownership, management, management control, if any, changes and amendments in constitution/ charter documents including memorandum of association and articles of association, changes to the management and composition of the board of directors undertaking any new project, modernisation, diversification or substantial expansion of any project, including but not limited to undertaking any further capital expenditure, opening of bank account in connection with the Offer with the bank at the sole discretion of our Company and deposit of the Offer in such account, and delegation of the relevant powers of the board of directors to its committees or sub-committees. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. While there has been no breach of such covenants or delay or defaults towards our payment obligations in the last three Fiscals and the three months period ended June 30, 2025, we cannot assure you that we will be able to comply with these financial or other covenants at all times or that we will be able to obtain the consent necessary to take the actions that we believe are required to operate and grow our business. Further, there has been no re-scheduling/ re-structuring in relation to borrowings availed by us from any financial institutions or banks in the last three Fiscals and the three months period ended June 30, 2025. As of the date of this Draft Red Herring Prospectus, we have received all consents required from our lenders in connection with the Offer.

In terms of security, we have created a charge over (i) current assets and movable fixed assets of our Company; (ii) charge on immovable assets of the Company located at Industrial Diverted land L.S. No. Plot No 435/1, 435/2, 435/3 & 435/4, Village Hatuniya, Tehsil Sanwer, Dist. Indore; (iii) unconditional and irrevocable corporate guarantee by our Company; and (iv) the assets purchased by the loans, including 4 immoveable properties (except the current assets) and our plant and equipment. In an event of default, the hypothecated assets may be subject to seizure by creditors, which could adversely affect our business, results of operations, financial condition and cash flow.

Our Company's latest available credit ratings by CARE Ratings are set forth below:

Borrowing Particulars	As of/ for the year ended March 31, 2024*
Long Term Bank Facilities	CARE BBB+; Stable
Long Term/Short Term Bank Facilities	CARE BBB+; Stable/CARE A2

*We are in the process of obtaining credit ratings for Fiscal 2025.

Our Company's latest available credit ratings by ICRA Limited are set forth below:

Borrowing Particulars	As of/ for the year ended March 31, 2023
Long Term – Fund based – Term Loans	ICRA BBB+ (Negative); Reaffirmed
Long Term – Fund based – Cash Credit	ICRA BBB+ (Negative); Reaffirmed
Short-term – Non-fund based – Working capital facilities	ICRA A2; Reaffirmed and Assigned for enhanced amount
Long Term/Short Term – Unallocated	ICRA BBB+(Negative)/[ICRA]A2; Assigned

We cannot assure you that our credit rating would not decrease in the future and any occurrence of the aforesaid could affect our business, results of operations, financial condition and cash flows.

37. *We have capital expenditure requirements and may require financing in the future and our operations could be curtailed if we are unable to obtain the required financing when needed.*

We have incurred capital expenditure to expand and upgrade our production facilities, including plant and machinery, as well as made leasehold improvements related to our COCO Stores network and we expect to open new COCO Stores in more locations. For further information, please see “*Objects of the Offer*” on page 116.

Our sources of additional capital required to meet our capital expenditure plans, may include the incurrence of debt or the issue of equity or debt securities or a combination of both. Further, our budgeted resources may prove insufficient to meet our requirements which could drain our internal accruals or compel us to raise additional capital. If we are required to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. We may also become subject to additional restrictive covenants in our financing agreements, which could limit our ability to access cash flows from operations and undertake certain types of transactions. Any issuance of equity, on the other hand, would result in a dilution of the shareholding of existing shareholders. If any of the foregoing were to occur, our business, results of operations, cash flows and financial condition could be adversely affected.

38. *We may incur uninsured losses or losses in excess of our insurance coverage which could have an adverse impact on our business, results of operations, financial condition and cash flows.*

We maintain insurance cover for our properties, including leasehold improvements, plant and machinery, office equipment, furniture and fixtures, as well as our inventories comprising raw materials, semi-finished goods, finished goods and stock-in-trade. For further information on the insurance policies availed by us, see “*Our Business – Insurance*” on page 221. These insurance policies are generally valid for one year and are renewed yearly.

The following tables set forth details of coverage of our insurance policies against the total insurable assets in the years indicated:

Particulars	Three months period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Coverage of insurance policies (₹ million)	7,969.03	7,969.03	8,254.09	7,628.01
Coverage of insurance policies as a percentage of total insurable assets*	296.61%	301.54%	307.55%	265.39%

* Insurable assets include net property, plant and equipment and inventories.

We could face liabilities or otherwise suffer losses should any unforeseen incident such as malfunction or failure of manufacturing equipment, natural disaster, fire, flood, and accidents affect our manufacturing units. Notwithstanding the insurance coverage that we carry, we may not be fully insured against certain types of risks. We cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part, on time, or at all. The table below sets forth details of the insurance amount claimed and insurance amount received for the period/years indicated:

Particulars	Three months period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Insurance amount claimed (₹ million)	Nil	0.08	0.97	1.35
Insurance amount received (₹ million)	Nil	Nil	0.65	0.75

To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, cash flows, financial condition and results of operations could be adversely affected. Any damage suffered by us in excess of such limited coverage amounts, or in respect of uninsured events, not covered by such insurance policies will have to be borne by us. While we have not experienced any instance where we incurred losses exceeding our insurance coverage in the three months period ended June 30, 2025 and the last three Fiscals, we cannot assure you that such instances will not occur in the future and any occurrence of the aforesaid could affect our business, results of operations, financial condition and cash flows.

39. *Our operations are dependent on our ability to attract and retain qualified personnel, including our Key Managerial Personnel and Senior Management and any inability on our part to do so, could adversely affect our business, results of operations, financial condition and cash flows. Our operations are also dependent on our Promoters and any discontinuation of their role in managing the operations of our Company could adversely affect our business, results of operations, financial condition and cash flows.*

Our performance depends largely on the efforts and abilities of our Promoters, Key Managerial Personnel and Senior Management and other key employees and qualified personnel. See “*Our Management*” on page 243. The inputs and experience of these personnel are valuable for the development of our business and operations and the strategic directions taken by our

Company. Further our Promoters also play a key role in managing the day-to-day operations of our Company. Any withdrawal from their role in this capacity could adversely affect our business operations.

Our managerial and other employees are critical to maintaining the quality and consistency of our services and reputation and the loss of the services of our personnel may adversely affect our business and operations. While we believe that we currently have adequate qualified personnel for our operations, we may not be able to continuously attract or retain such personnel, or retain them on acceptable terms, given the demand for such personnel. For details regarding changes in Key Managerial Personnel and Senior Management during the last three Fiscals, see “*Our Management - Changes in the Key Managerial Personnel and Senior Management during the last three years*” on page 262. While there have been changes in Key Managerial Personnel and Senior Management during the last three Fiscals, there has been no instance in the three months period ended June 30, 2025 and the last three Fiscals where the resignation of any Senior Management or Key Managerial Personnel had an adverse impact on our business, results of operations, cash flows or financial conditions, we cannot assure you that such instance will not arise in the future. Competition for qualified personnel with relevant industry expertise in India is intense and the loss of the services of our Key Managerial Personnel and Senior Management may adversely affect our business, results of operations, financial condition and cash flows.

We may require a significant time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires.

40. *We engage in foreign currency transactions and fluctuations in the exchange rate between the Rupee and other currencies may adversely affect our operating results.*

Our financial statements are presented in Indian Rupees. However, our results of operations may be influenced by the currencies of countries from which we procure raw material as well as by currencies in which we export. Exchange rate fluctuations between the Indian Rupee and foreign currencies, especially USD and Euro, may have an adverse impact on our results of operations, cash flows and financial condition. The table below sets forth details of our foreign currency exposure as of the dates indicated:

Particulars	As on June 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Absolute total foreign currency exposure on trade receivables (₹ million)	64.62	38.17	5.50	14.00
Absolute total foreign currency exposure on trade payables (₹ million)	(65.56)	(108.72)	(55.91)	(25.50)

We do not actively hedge our exposure to foreign currency in order to safeguard our cash flows and financial performance, and as a result, our operations, cash flows and financial performance could be adversely affected in case these currencies fluctuate significantly. While we have not experienced any adverse impacts on our results of operations, financial condition, or cash flows due to not hedging foreign exchange risks in the three months period ended June 30, 2025 and the last three Fiscals, we cannot assure that such instances will not occur in the future.

41. *Our funding requirement and the proposed deployment of the Net Proceeds have not been appraised by any bank or financial institution or any other independent agency. Our Management will have broad discretion over the use of the Net Proceeds.*

We intend to utilize the Net Proceeds of the Offer as set forth in “*Objects of the Offer*” beginning on page 116. The funding requirements disclosed as a part of the objects of the Offer are based on internal management estimates in view of past expenditures and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances, costs, other financial conditions or business strategies. Our management, in accordance with the policies established by our Board of Directors from time to time, will have flexibility in deploying the Net Proceeds of the Offer. Based on the competitive nature of our industry, we may have to revise our business plan and/or management estimates from time to time and consequently our funding requirements may also change. Our management estimates may differ from the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our expenditure, subject to applicable laws, and may have an adverse impact on our business, financial condition, results of operations and cash flows.

Various risks and uncertainties, including those set forth in this section as well as in “*Objects of the Offer*” beginning on page 116, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. For example, the modes we shall utilize to undertake expenditures and investments towards our advertising and marketing strategies are not specific or identified at this stage. Further, the outcome of this expenditure and investment is not ascertainable or quantifiable at this stage and may be disproportionate to the revenue generated or customer conversion rates. Further, in case we decide to vary the proposed objects and the same is approved by the Shareholders in accordance with applicable law, the Shareholders who do

not agree to the proposal to vary the objects shall be given an exit offer, at such price, and in such manner, in accordance with our Articles of Association, the Companies Act, and Regulation 59 of the SEBI ICDR Regulations.

42. We may face issues in identifying locations for expanding our COCO Stores network.

We have not yet finalized locations or entered into agreements for lease/ sub-lease/licensing of properties for the expansion of our COCO Stores network which we intend to utilize the Net Proceeds towards the setting up of COCO Stores. While we have included estimated capital expenditure for the setting up of such COCO Stores on the basis of quotations, we have not yet placed any orders for expenditure to be incurred for setting up the COCO Stores. As a consequence of any increased costs, our actual deployment of funds may be higher than our management estimates. We may also face delays or incur additional costs due to failure to obtain regulatory approvals, technical difficulties or constraints relating to human resources, technology, or other resources, or other unforeseen reasons, events or circumstances. Further, we may not be able to attract personnel with sufficient skills or sufficiently train our personnel to manage our expansion plans. Accordingly, the use of Net Proceeds for other purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

43. Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.

We propose to utilize the Net Proceeds towards the following: (i) capital expenditure to be incurred by our Company for setting up of 120 new COCO Stores; (ii) Expenditure for lease, sub-lease rent and license fees for our existing COCO Stores and Manufacturing Facility – VII; (iii) Marketing and advertisement expenses towards enhancing the awareness and visibility of our brand and for (iv) for general corporate purposes. For further information of the proposed objects of the Offer, see “*Objects of the Offer*” on page 116. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act 2013, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability to obtain such shareholders' approval may adversely affect our business or operations.

In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any or vary the terms of any contract referred to in the Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of the Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business or operations.

44. Any failure of our information technology systems and tools could adversely affect our business, results of operations, financial conditions and cash flows.

We have information technology systems and tools that support our business processes, including product development, sales, order processing, production and manufacturing, distribution, finance and data analyses. We have made, and will continue to make, significant investments in information technology systems and tools. Such expenditure may adversely affect our operating results if they are not offset by corresponding increase in our operational efficiency. The table below sets forth details of Information technology, software support and other maintenance expenses for the period/ years indicated:

Particulars	Three months period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Information technology, software support and other maintenance expenses (₹ million)	36.09	119.88	112.13	73.51
Revenue from operations (₹ million)	2,925.19	11,342.50	10,952.96	10,574.87
Information technology, software support and other maintenance expenses as a percentage of Revenue from operations	1.23%	1.06%	1.02%	0.70%

Our systems and proprietary data stored electronically may be vulnerable to computer viruses, cybercrime, computer hacking and similar disruptions from unauthorized tampering. If such unauthorized use of our systems were to occur, data related to our product development and other proprietary information could be compromised. Although this data is anonymized to protect customer privacy, the collection, storage, and processing of such data pose inherent risks, including unauthorized access to personal data, non-compliance with data protection regulations resulting in significant fines and legal repercussions, erosion of customer trust due to perceived or actual misuse of personal data, and substantial resource allocation to address data privacy and security issues. The Digital Personal Data Protection Act, 2023 and the draft Digital Personal Data Protection Rules, 2025 require us to protect the privacy of our customers and prohibit unauthorised disclosure of personal information. Compliance with new and evolving privacy and security laws, regulations and requirements may result in increased operating costs and may constrain or require us to alter our business model or operations, which may affect our business, results of operations, financial

conditions and cash flows. Any future deficiencies in handling personal data of our customers may lead to civil and criminal liability for our Company. While we have not experienced any disruptions due to computer viruses, cybercrime, hacking, or similar unauthorized tampering in the three months period ended June 30, 2025, or the last three Fiscal years, we cannot assure you that such incidents will not occur in the future. As cyber-attacks and similar events become increasingly sophisticated, we may need to incur additional costs to implement data security and privacy measures, modify our protective measures and remediate any vulnerability to cyber incidents. While we have not had any instances of data leakages in the three months period ended June 30, 2025, and the last three Fiscal years which had an adverse impact on our business, results of operations, financial conditions and cash flows, we cannot assure you that such instances will not occur in the future

45. *We provide product warranties and, if our product warranty obligations are significantly in excess of our warranty provisions, our business, financial condition and results of operations could be adversely affected.*

We provide a range of warranties on our products, depending on the product and subject to various limitations. We recognize a provision for expected warranty claims in respect of products sold during the year, based on our estimates regarding return trends of products and the costs of repair and replacement. The table below sets forth details about movement in warranty provision as of the dates indicated:

Particulars	As on June 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the period/ year (₹ million)	50.35	48.00	48.17	48.50
Add: Charge for the period/ year (₹ million)	8.39	30.21	25.98	17.41
Less: Utilised during the period/ year (₹ million)	(7.79)	(27.86)	(26.15)	(17.74)
Balance at the end of the period/ year (₹ million)	50.95	50.35	48.00	48.17

We cannot assure you that our warranty provision will be adequate for all warranty claims that arise. Warranty obligations in excess of our provisions could have an adverse impact on our business, results of operations, financial condition, and cash flows. Owing to the high levels of competition, we include certain longer term warranties or return rights on certain of our premium mattress products sold directly to customers, which result in more complex warranty terms and higher costs.

46. *After the completion of the Offer, our Promoters will continue to collectively hold significant shareholding in our Company, which will allow them to influence the outcome of matters requiring shareholder approval.*

As on the date of this Draft Red Herring Prospectus, our Promoters collectively held 66.10 % of the share capital of our Company on a fully diluted basis. For details of their shareholding pre- and post-Offer, see “*Capital Structure*” on page 85. After the completion of the Offer, our Promoters will continue to collectively hold significant shareholding in our Company and will continue to exercise significant influence over our business policies and affairs and all matters requiring Shareholders’ approval, including the composition of our Board, the adoption of amendments to our Memorandum of Association, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures or any other matter requiring special resolution. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these stockholders. The interests of the Promoters as our controlling shareholders could conflict with our interests or the interests of our other shareholders. We cannot assure you that the Promoters will act to resolve any conflicts of interest in our favour and any such conflict may adversely affect our ability to execute our business strategy or to operate our business. For further information in relation to the interests of our Promoters in the Company, see “*Our Promoters and Promoter Group*” and “*Our Management*” on pages 264 and 243, respectively.

47. *We have certain contingent liabilities that have been disclosed in the Restated Consolidated Financial Information (₹ 499.24 million as at June 30, 2025), which if they materialize, may adversely affect our business, results of operations, financial condition and cash flows.*

- (a) As of June 30, 2025, our contingent liabilities that have been disclosed in our Restated Consolidated Financial Information, were as follows:

Particulars	Amount (₹ million)
Claims against companies not acknowledged as debts	
Income tax cases	148.63
Goods and services tax*	350.61
Total	499.24

* Matters relating to incorrect availment of input tax credit, mismatch between GSTR9 and GSTR3B and mismatch between GSTR2A and GSTR3B

- (b) In the year 1999-2000, the management had transferred the loans of ₹ 4.28 million and ₹ 15.06 million taken from Indian Jute Industries Research (IJIRA) and Technology Information, Forecasting and Assessment Council (TIFAC) respectively to Capital Reserve. These loans were conditional loans and were to be repaid only if we succeeded in commercialising the products developed by the research activities. We had not succeeded in commercialising the

products developed by the research activities and our Board of directors on the basis of the legal opinion and based on the technical report are of the opinion that the project did not result in the commercialisation of any product and as such the loan from Indian Jute Industries Research Association (IJIRA) and Technology Information, Forecasting and Assessment Council (TIFAC) is not repayable. TIFAC had referred the matter to Arbitration. The Arbitration order was set aside by the Hon'ble District Court Alappuzha and referred back to the Arbitrator. Subsequent to the same, TIFAC had requested us to enter into a settlement. We are of the view that the amount is not payable as the project was not successful. The management has not received any communication from IJIRA and has proposed to make legal representation to get a no due certificate. The Management is of the view that the matter will be settled judicially and hence nature of the liability remains unchanged as compared to the previous year.

- (c) In February 2019, the Hon'ble Supreme Court of India, in its judgement, had clarified the applicability of allowances that should be considered within the expression of 'basic wages' to measure the provident fund contribution under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 ('EPF Act'). We had been legally advised that there were interpretative challenges on the application of judgement retrospectively and as such we did not believe that there is any probable obligation for the past periods. We do not expect any material impact for the same.
- (d) Corporate guarantee given to Yes Bank Limited for the term loan taken by Shivaarna Technofoams Private Limited, a subsidiary for a facility amount of ₹ 251.90 million.

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, results of operations, financial condition and cash flows. For further information, see "*Restated Consolidated Financial Information – Note 42 – Contingent liabilities and commitments*" on page 333.

48. Our Promoters hold Equity Shares in our Company and are therefore interested in our Company's performance in addition to their remuneration and reimbursement of expenses.

Our Promoters are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. The table below sets forth the details of shareholding of our Promoters and Directors, as applicable:

Names	Percentage of total pre-Offer paid up Equity Share capital, on a fully diluted basis (%)
Promoters	
Jacob Joseph George*	16.36
Mathew Chandy*	16.38
Mathew George*	15.85
Mathew Antony Joseph*	17.51

* Also an Executive Director

Further, as per the employment agreements between the Promoters and the Company, each dated September 9, 2025, our Promoters are also interested in a portion of variable pay which is subject to our Company and our Subsidiaries meeting their business targets. Additionally, our Registered Office is on land that is leased from VEPL which is one of our Group Companies, and two of our Promoters, Mathew Antony Joseph and Jacob Joseph George are shareholders of VEPL while all our Promoters are directors of VEPL. We cannot assure you that our Promoters will exercise their rights as Shareholders to the benefit and best interest of our Company. For further details, see "*Capital Structure*" and "*Our Management*" on pages 85 and 243 respectively and see "*Promoters*" and "*Promoter Group*" on page 264 and "*Restated Consolidated Financial Information – Note 46 – Related Party Disclosures*" on page 336.

49. Information relating to our installed capacity and the historical capacity utilization of our manufacturing facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates and future production and capacity utilization may vary.

The information relating to the installed capacity and capacity utilisation of certain of our manufacturing facilities included in this Draft Red Herring Prospectus are based on various assumptions and estimates of our management that have been taken into account by the independent chartered engineer in the calculation of our capacity. These assumptions and estimates include standard capacity calculation practice in the industry in which we operate and capacity of other ancillary equipment installed at the relevant manufacturing facilities. Assumptions and estimates taken into account for measuring installed capacity include 288 working days in a year, at 3 shifts per day (each being 8 hours long) for all facilities except for Manufacturing Facility IV – Coir Mattress where 2 shifts (each being 8 hours) long has been considered. These details have been certified by way of a certificate dated October 15, 2025 from Praveen Subramanya, independent chartered engineer, on behalf of AJVA SP Appraisal Services Private Limited. Actual production levels and capacity utilization rates may therefore vary significantly from the installed capacity of our manufacturing facilities. Undue reliance should therefore not be placed on our capacity information or historical capacity utilization information for our existing facilities included in this Draft Red Herring Prospectus. For further information regarding capacity of our manufacturing units, see "*Our Business – Installed Capacity, Actual Production and Capacity Utilisation*" on page 217.

50. ***We have entered into, and will continue to enter into, related party transactions that may potentially involve conflicts of interest and may be subject to additional approvals and compliances under applicable law.***

In the ordinary course of our business, we enter into and will continue to enter into transactions with related parties. For more details regarding our related party transactions, see “Offer Document Summary - Summary of related party transactions” on page 24 and “Restated Consolidated Financial Information –Note 46 – Related Party Disclosure” on page 336.

While we believe that the above-mentioned related party transactions are conducted on an arms' length basis in accordance with the Companies Act and other applicable regulations, there can be no assurance that we could not have achieved more favourable terms if such transactions had not been entered into with related parties. Furthermore, it is likely that we will continue to enter into related party transactions in the future. All such related party transactions that we may enter into post-listing, will be subject to our Board or Shareholder approval, as necessary under the Companies Act and the SEBI Listing Regulations. We cannot assure you that any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects or will perform as expected. Further, any future transactions with our related parties could potentially involve conflicts of interest that may be detrimental to our Company. There can be no assurance that we will be able to address such conflicts of interests or others in the future.

51. ***While our Company will receive proceeds from the Fresh Issue, we will not receive any proceeds from the Offer for Sale.***

The Offer consists of a Fresh Issue of up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹1,836.00 million and an Offer for Sale by the Selling Shareholders of up to 22,564,569 Equity Shares of face value of ₹1 each aggregating up to [●] million. The Selling Shareholders shall be entitled to the net proceeds from the Offer for Sale, which comprises proceeds from the Offer for Sale net of Offer expenses for the share of the Offer for Sale, and our Company will not receive any proceeds from the Offer for Sale. For further information, see “The Offer” and “Objects of the Offer – Offer for Sale” on pages 69 and 116 respectively.

52. ***Certain sections of this Draft Red Herring Prospectus disclose information from the TKC Report which is a paid report and is commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.***

We have availed the services of an independent consulting company, TKC, appointed by our Company pursuant to an engagement letter dated July 14, 2025 to prepare an industry report titled “Industry Report on PU Foam, Mattress, Home Comfort Accessories and Furniture Market in India” dated October 13, 2025, for purposes of inclusion of such information in this Draft Red Herring Prospectus to understand the industry in which we operate. The TKC Report has been commissioned by our Company exclusively in connection with the Offer for a fee. Our Company, Promoters, Directors, Key Managerial Personnel Senior Management and Book Running Lead Managers are not related to TKC. This TKC Report is subject to various limitations and based upon certain assumptions that are subjective in nature. Further the commissioned report is not a recommendation to invest or divest in our Company. Prospective investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Draft Red Herring Prospectus, when making their investment decisions.

53. ***Failures in internal control systems could cause operational errors which may have an adverse effect on our reputation, business, results of operations, financial condition and cash flows.***

We are responsible for establishing and maintaining adequate internal control measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our operations adhere to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no instances of failure to maintain effective internal controls and compliance system in the three months period ended June 30, 2025 and the last three Fiscals which had an adverse impact on our business, results of operations, financial conditions and cash flows. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal controls in all circumstances.

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our equity shares.

54. ***We have included in this Draft Red Herring Prospectus certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP financial measures and industry measures may vary from any standard methodology that is applicable across the industry, and therefore***

may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.

Certain non-GAAP financial measures relating to our operations and financial performance such as Gross profit, Gross profit margin, EBITDA, EBITDA Margin, EBITDA growth, PAT Margin, Return on equity, EBIT, Capital employed, Return on capital employed, Net working capital days, Net Asset Value per equity share, Net Worth and Return on Net Worth have been included in this Draft Red Herring Prospectus. Certain other industry measures such as Product category wise volume, COCO Stores at the end of the period/ year, Trade Stores, Channel Wise Revenue have also been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of the industry, many of which provide such non-GAAP financial measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Draft Red Herring Prospectus. These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies. For further information, see “Other Financial Information – Non-GAAP Financial Measures” on page 347.

55. *Our Company may not be able to pay dividends in the future. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, profit after tax available for distribution, cash flows, working capital requirements and capital expenditure and the terms of our financing arrangements.*

Any dividends to be declared and paid in the future are required to be recommended by our Company’s Board of Directors and approved by its Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. Our Company’s ability to pay dividends in the future will depend upon our future results of operations, financial condition, profit after tax available for distribution, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements. We cannot assure you that we will generate sufficient revenue to cover our operating expenses and, as such, pay dividends to our Company’s shareholders in future consistent with our past practices, or at all. We have not declared any dividends on the Equity Shares during the three months period ended June 30, 2025 and last three Fiscals and during the period from July 1, 2025, until the date of this Draft Red Herring Prospectus. For information pertaining to dividend policy, see “Dividend Policy” on page 268.

56. *We have, in the last 12 months, issued Equity Shares at a price that could be lower than the Offer Price.*

We have issued Equity Shares at prices that could be lower than the Offer Price during the last one year from the date of this Draft Red Herring Prospectus. For details, see “Capital Structure - Securities or Equity Shares issued at a price lower than the Offer Price in the last year” on page 95. The prices at which Equity Shares were issued by us in the past year should not be taken to be indicative of the Price Band, Offer Price and the trading price of our Equity Shares after listing.

External Risk Factors

57. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations.*

The regulatory and policy environment in which we operate are evolving and are subject to change. The Government of India (“GoI”) may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements. Any such implementation or amendment may result in us being non-compliant with such governing laws till the time we implement the requirements of such amended laws. In relation to goods and services bought or sold over our website or any digital platform or digital marketplace, the Consumer Protection Act, 2019 and the Consumer Protection (E-Commerce) Rules, 2020 prescribes punishment for false or misleading advertisements. The Legal Metrology Act, 2009 (“LM Act”) and the Legal Metrology (Packaged Commodities) Rules, 2011 (“Packaged Commodity Rules”) require certain standards to be followed for labelling, packaging, weights and measures for retail sale, wholesale packages and for export of packaged commodities failing which there can be penalty imposed on the manufacturer or seizure of goods or imprisonment.

For instance, the GoI has introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future and increase our expenses.

The Information Technology Act, 2000 (“**IT Act**”), as amended and the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“**IT Security Rules**”), impose limitations and restrictions on the collection, use and disclosure of personal information. It also mandates body corporates to adopt a privacy policy, to obtain consent from data subjects for collecting or transferring their sensitive personal data or information and intimate them about recipients of such collected data, as a mechanism of establishing a robust security standard. The Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 (“**IT Intermediary Rules**”) requires intermediaries receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under these IT Intermediary Rules and to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it, as well as specifying the due diligence to be observed by intermediaries. The IT Intermediary Rules also make it mandatory for an intermediary to publish, the privacy policy, rules and regulations, and user agreement for access or usage of the intermediary’s computer resource by any person on its website, and also establish a grievance redressal mechanism. Practices regarding the collection, use, storage, transmission and security of personal information by companies operating over the internet have recently come under increased public scrutiny around the world.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations.

On August 27, 2025, the United States imposed tariffs of up to 50% on goods imported from India, including a 25% penalty on transactions involving Russian entities, in response to India’s continued purchases of Russian oil and weapons. These tariffs have triggered economic uncertainty and may adversely impact companies sourcing materials or products from India. Although our Company may not be directly involved in such transactions, the broader implications could include increased costs, supply chain disruptions, and reduced competitiveness of Indian suppliers. If trade tensions persist or escalate, the increased tariffs may have an impact on our results of operations.

58. *Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.*

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, financial condition or cash flows. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

59. *A downgrade in ratings of India and other jurisdictions we operate in may affect the trading price of the Equity Shares.*

Our access to the debt capital markets depend significantly on the sovereign credit ratings of India. Any further adverse revisions to credit ratings for India by international rating agencies may adversely impact our ability to raise additional financing. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

60. *Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.*

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth India is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), geopolitical factors, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate

in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

61. *Significant differences exist between Ind AS and other accounting principles, such as IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.*

Our Restated Consolidated Financial Information is prepared in accordance with Ind AS and restated in accordance with requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the ICAI. Ind AS differs in certain significant respects from IFRS and other accounting principles with which prospective investors may be familiar in other countries. We have not attempted to quantify their impact of IFRS on the financial data included in this Draft Red Herring Prospectus nor do we provide a reconciliation of our financial statements to those of IFRS. IFRS differs in significant respects from Ind AS. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

62. *We may be affected by competition laws in India, the adverse application or interpretation of which could adversely affect our business.*

The Competition Act, 2002, of India, as amended (“**Competition Act**”), regulates practices having an appreciable adverse effect on competition in the relevant market in India (“**AAEC**”). Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished.

Further, the Competition Commission of India (“**CCI**”) has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. In the event we pursue an acquisition in the future, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows and prospects. The manner in which the Competition Act and the CCI affect the business environment in India may also adversely affect our business, financial condition, cash flows and results of operations.

The Competition (Amendment) Act, 2023 (“**Competition Amendment Act**”) was notified and is being implemented in a phased manner. The Competition Amendment Act amends the Competition Act and gives the CCI additional powers to prevent practices that harm competition and the interests of customers. The Competition Amendment Act, *inter alia*, modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI from 210 days to 150 days and empowers the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position. The Competition Amendment Act has introduced deal value thresholds for assessing whether a merger or acquisition qualifies as a “combination,” expedited merger review timelines, codification of the lowest standard of “control” and enhanced penalties for failing to provide material information.

If we pursue acquisition transactions in the future, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any enforcement proceedings initiated by the CCI, any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, or any prohibition or substantial penalties levied under the Competition Act, which would adversely affect our business, results of our operations, cash flows and prospects.

63. *The Indian tax regime has undergone substantial changes which could adversely affect our business and the trading price of the Equity Shares.*

Our business, results of operations, financial condition and cash flows could be adversely affected by any change in the extensive central and state tax regime in India as applicable to us and our business.

The tax regulatory and policy environment in which we operate is evolving and is subject to change. The GoI may implement new tax laws or other regulations and policies that could affect our business and the financial services industry, which could lead to new tax and compliance requirements, including requiring us to obtain approvals and licenses from the GoI and other regulatory bodies, or impose onerous requirements. Such requirements could increase our costs or otherwise adversely affect our business, financial condition, cash flows, and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Any changes to such tax laws, including the instances mentioned below, may adversely affect our business, financial condition, results of operations and prospects.

Any change in Indian tax laws in a central or state level could have an effect on our operations. The GoI has implemented two major reforms in Indian tax laws, namely the Goods and Services Tax (“GST”), and provisions relating to general anti-avoidance rules (“GAAR”). The indirect tax regime in India has undergone a complete overhaul. The indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise have been replaced by GST with effect from July 1, 2017. The GST regime continues to be subject to amendments and its interpretation by the relevant regulatory authorities is constantly evolving. GAAR became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement may result in, among others, a denial of tax benefit to us and our business. In the absence of any substantial precedents on the subject, the application of these provisions is subjective. If the GAAR provisions are made applicable to us, it may have an adverse tax impact on us. Further, if the tax costs associated with certain of our transactions are greater than anticipated because of a particular tax risk materializing on account of new tax regulations and policies, it could affect our profitability from such transactions. The Union Finance Minister recently announced the Income Tax Bill, 2025 (“IT Bill”) on February 13, 2025, which seeks to simplify the language and restructuring of provisions of the existing Income Tax Act, 1961 (“Income Tax Act”). The IT Bill is proposed to be enacted and come into force on April 1, 2026.

Earlier, distribution of dividends by a domestic company was subject to Dividend Distribution Tax (“DDT”), in the hands of the company at an effective rate of 20.56% (inclusive of applicable surcharge and cess). Such dividends were generally exempt from tax in the hands of the shareholders. However, the GoI has amended the Income-tax Act, 1961 (“Income Tax Act”) to abolish the DDT regime. Accordingly, any dividend distribution by a domestic company is subject to tax in the hands of the investor at the applicable rate. Additionally, we are required to withhold tax on such dividends distributed at the applicable rate.

The Government of India announced the union budget for Fiscal 2026, following which the Finance Bill, 2025 (“Finance Bill”) was introduced in the Lok Sabha on February 1, 2025. The Finance Bill will be enacted on April 1, 2025. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Equity Shares. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether if at all, any laws or regulations would have an adverse effect on our business. Further, any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability. In addition, we are subject to tax related inquiries and claims.

64. *If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate in order to pass costs on to our customers thereby reducing our margins.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages and other expenses. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business, results of operations, cash flows and financial condition. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future. In such case, our business, results of operations, financial condition and cash flows may be adversely affected.

65. The determination of the Price Band is based on various factors and assumptions and the Offer Price, price to earnings ratio and market capitalization to revenue multiple based on the Offer Price of our Company, may not be indicative of the market price of the Company on listing or thereafter.

Our revenue from operations for Fiscal 2025 was ₹ 11,342.50 million and profit for the year for Fiscal 2025 was ₹ 471.63 million. The table below provides details of our price to earnings ratio and market capitalization to revenue from operations at the upper end of the Price Band:

Particulars	Price to Earnings Ratio	Market Capitalization to Revenue
Fiscal 2025	●]*	●]*

* To be populated at Prospectus stage.

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the BRLMs. The relevant financial parameters based on which the Price Band will be determined shall be disclosed in the advertisement that will be issued for the publication of the Price Band. Further, the Offer Price of the Equity Shares is proposed to be determined on the basis of assessment of market demand for the Equity Shares offered through the book-building process prescribed under the SEBI ICDR Regulations, and certain quantitative and qualitative factors as set out in the section “Basis for the Offer Price” on page 128 and the Offer Price, multiples and ratios may not be indicative of the market price of the Company on listing or thereafter.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares.

The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, announcements by third parties or governmental entities of significant claims or proceedings against us, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. As a result, we cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing. Further, the market price of the Equity Shares may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price.

66. Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (“ASM”) and Graded Surveillance Measures (“GSM”) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advice investors to be extra cautious while dealing in these securities and advice market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

On listing, we may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Offer due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors may trigger the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, client concentration and close to close price variation.

In the event our Equity Shares are covered under such pre-emptive surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active market for and trading of our Equity Shares.

67. The Equity Shares have never been publicly traded and the Offer may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Offer Price, or at all.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the stock exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares

will develop, or if developed, the liquidity of such market for the Equity Shares. Our Equity Shares are expected to trade on NSE and BSE after the Offer, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after the Offer could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Draft Red Herring Prospectus. The market price of our Equity Shares may be influenced by many factors, some of which are beyond our control, including, among others:

- (i) the failure of security analysts to cover the Equity Shares after the Offer, or changes in the estimates of our performance by analysts;
- (ii) the activities of competitors and suppliers;
- (iii) future sales of the Equity Shares by us or our Shareholders;
- (iv) investor perception of us and the industry in which we operate;
- (v) changes in accounting standards, policies, guidance, interpretations of principles;
- (vi) our quarterly or annual earnings or those of our competitors;
- (vii) developments affecting fiscal, industrial or environmental regulations; and
- (viii) the public's reaction to our press releases and adverse media reports.

A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

68. *Investors may be subject to Indian taxes arising out of income arising on the sale of the Equity Shares.*

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any capital gain exceeding INR 125,000, realized on the sale of listed equity shares on a recognized stock exchange, held for more than 12 months immediately preceding the date of transfer, will be subject to long term capital gains in India, at the rate of 12.5% (plus applicable surcharge and cess). This beneficial rate is, among others, subject to payment of Securities Transaction Tax ("STT"). Further, any gain realized on the sale of equity shares in an Indian company held for more than 12 months, which are sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India, at the rate of 12.5% (plus applicable surcharge and cess).

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Such gains will be subject to tax at the rate of 20% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates.

Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident (as per tax laws). Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their jurisdiction on a gain upon the sale of the Equity Shares.

Similarly, any business income realized from the transfer of Equity Shares held as business or trading assets is taxable at the applicable tax rates. In the case of a non-resident seller, the applicable tax rates may be subject to any treaty relief, if applicable.

Additionally, the Indian tax laws require deduction of tax at source in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and such dividends would be taxable at applicable rates in the hands of the shareholders, both resident as well as non-resident (for tax purposes). We may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

69. *Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares.*

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty

in raising capital through offering of our Equity Shares or incurring additional debt. Any disposal of Equity Shares by our Promoters, or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

70. *Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.*

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior approval of the RBI will be required. Further, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment.

Additionally, shareholders who seek to convert Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all. Further, due to possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline. In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Non-debt Rules, all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of any such country, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. While the term "beneficial owner" is defined under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and the General Financial Rules, 2017, neither the foreign direct investment policy nor the FEMA Rules provide a definition of the term "beneficial owner". The interpretation of "beneficial owner" and enforcement of this regulatory change involves certain uncertainties, which may have an adverse effect on our ability to raise foreign capital. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Additionally, there is uncertainty regarding the timeline within which the said approval from the GoI may be obtained, if at all.

For further information, see "Restrictions on Foreign Ownership of Indian Securities" on page 451.

71. *Fluctuations in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of the Equity Shares, independent of our operating results.*

Upon listing, the Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of the Equity Shares will be paid in Indian Rupees and subsequently converted into appropriate foreign currency for repatriation. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders.

72. *QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the submission of their Bid, and Retail Individual Bidders, and Eligible Employees Bidding the Employee Reservation Portion are not permitted to withdraw their Bids after closure of the Bid/ Offer Closing Date.*

Pursuant to the SEBI ICDR Regulations, QIBs and NIBs are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders and Eligible Employees Bidding the Employee Reservation Portion can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within three Working Days from the Bid/ Offer Closing Date or

such other period as may be prescribed by the SEBI, events affecting the investors' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Investors' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

73. *Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.*

Under the Companies Act, 2013, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

74. *Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.*

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder of our Company than as a shareholder of an entity in another jurisdiction.

75. *Investors may have difficulty enforcing judgements in India against us or our management.*

Our Company is incorporated under the laws of India. All of our Company's assets are located in India and all of our Company's Directors, Key Managerial Personnel and Senior Management are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

Recognition and enforcement of foreign judgments is provided for under Section 13 of CPC on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to nature justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

76. *A third party could be prevented from acquiring control of us post Offer, because of anti-takeover provisions under Indian law.*

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the SEBI Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that the interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Offer. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of the SEBI Takeover. Further, there are requirements under the Securities and Exchange

Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Takeover Regulations if the shareholding of any entity exceeds the specified threshold.

77. *Financial instability in other countries may cause increased volatility in Indian financial markets.*

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Currencies of a few Asian countries have in the past suffered depreciation against the U.S. Dollar owing to various factors. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. These developments, or the perception that any related developments could occur, have had and may continue to have a material adverse effect on global economic conditions and financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares.

78. *There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all*

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the BSE and NSE within such time as mandated under the applicable laws including the UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

SECTION III: INTRODUCTION

THE OFFER

The following table sets forth the details of the Offer:

The Offer ^{*(1)(2)}	Up to [●] Equity Shares of face value of ₹1 each, aggregating up to ₹[●] million
<i>of which:</i>	
Fresh Issue ⁽¹⁾	Up to [●] Equity Shares of face value of ₹1 each, aggregating up to ₹1,836.00 million
Offer for Sale ⁽²⁾	Up to 22,564,569 Equity Shares of face value of ₹1 each aggregating up to ₹[●] million
Employee Reservation Portion ⁽³⁾	Up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹[●] million
Net Offer	Up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹[●] million
The Net Offer consists of:	
A) QIB Portion ⁽⁴⁾⁽⁵⁾	Not less than [●] Equity Shares of face value of ₹1 each aggregating up to ₹[●] million
<i>of which:</i>	
- Anchor Investor Portion ⁽⁶⁾	Up to [●] Equity Shares of face value of ₹1 each
- Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	[●] Equity Shares of face value of ₹1 each
<i>of which:</i>	
- Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares of face value of ₹1 each
- Balance of the Net QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares of face value of ₹1 each
B) Non-Institutional Portion ⁽⁷⁾	Not more than [●] Equity Shares of face value of ₹1 each aggregating up to ₹[●] million
<i>of which:</i>	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million	[●] Equity Shares of face value of ₹1 each
Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹1.00 million	[●] Equity Shares of face value of ₹1 each
C) Retail Portion ⁽⁴⁾	Not more than [●] Equity Shares of face value of ₹1 each aggregating up to ₹[●] million
Pre-Offer and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as on the date of this Draft Red Herring Prospectus)	95,612,576 Equity Shares of face value of ₹1 each
Equity Shares outstanding after the Offer	[●] Equity Shares of face value of ₹1 each
Use of Net Proceeds	See “Objects of the Offer” on page 116 for information about the use of the Net Proceeds. Our Company will not receive any proceeds from the Offer for Sale.

* Our Company, in consultation with the Book Running Lead Managers, may consider Pre-IPO Placement aggregating up to ₹367.20 million, as may be permitted under the applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the allotment of the Equity Shares issued pursuant to the Pre-IPO Placement will be done towards the general corporate purposes portion of the Objects of the Offer, unless auditor certified disclosures are made with regards to its utilization towards the disclosed specific Objects of the Offer. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

⁽¹⁾ The Offer has been authorised by our Board pursuant to the resolution passed at its meeting dated October 11, 2025, and the Fresh Issue has been authorised by our Shareholders pursuant to the special resolution passed at their extra-ordinary general meeting dated October 11, 2025. Each of the Selling Shareholders severally and not jointly, consented to participate in the Offer for Sale to the extent of their respective portion of the Offered Shares in the Offer for Sale. Our Board has taken on record the consents of each of the Selling Shareholders to participate in the Offer for Sale, pursuant to its resolution dated October 15, 2025.

⁽²⁾ Each of the Selling Shareholders has, severally and not jointly, approved its respective portion of the Offered Shares in the Offer for Sale are eligible for being offered for sale in terms of Regulation 8 of the SEBI ICDR Regulations. Each of the Selling Shareholders, severally and not jointly, confirmed that its respective portion of the Offered Shares will be offered for sale in the Offer in accordance with Regulation 8A of the SEBI ICDR Regulations, to the

extent applicable to such Selling Shareholder, as on the date of this Draft Red Herring Prospectus. The details of their respective Offered Shares are as set out below:

Sr. No.	Selling Shareholders	Number of Offered Shares of face value of ₹1 each	Aggregate proceeds from the Offered Shares (in ₹ million)	Date of consent letter	Date of corporate action / board resolution / authorisation letter
Promoter Selling Shareholders					
1.	Jacob Joseph George	Up to 1,912,252	/●/	October 10, 2025	N.A.
2.	Mathew Chandy	Up to 5,736,755	/●/	October 10, 2025	N.A.
3.	Mathew George	Up to 2,294,702	/●/	October 10, 2025	N.A.
4.	Mathew Antony Joseph	Up to 3,059,602	/●/	October 10, 2025	N.A.
Investor Selling Shareholders					
5.	Lighthouse India Fund III, Limited	Up to 9,460,574	/●/	October 13, 2025	October 13, 2025
6.	Lighthouse India III Employee Trust	Up to 100,684	/●/	October 13, 2025	October 13, 2025

- (3) The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹0.50 million), shall be added to the Net Offer. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Issue and such Bids will not be treated as multiple Bids subject to applicable limits. Eligible Employee can also apply under Retail Portion. However, Bids by Eligible Employees in the Employee Reservation Portion and in the Non-Institutional Portion shall be treated as multiple Bids, only if Eligible Employee has made an application of more than ₹ 0.20 million in the Employee Reservation Portion. The undersubscribed portion, if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.
- (4) Our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will be accordingly reduced for the shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added back to the Net QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see “Offer Procedure” on page 432.
- (5) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange. Under-subscription, if any, in the Net QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. In the event of under-subscription in the Offer, subject to receiving minimum subscription as described in “Terms of the Offer – Minimum Subscription” on page 426 and compliance with Rule 19(2)(b) of the SCRR, the Allotment for the valid Bids will be made in the first instance towards subscription for 90% of the Fresh Issue. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made in such manner as specified in the Offer Agreement. For further details, see “Terms of the Offer – Minimum Subscription” on page 426.
- (6) Allocation to Bidders in all categories except the Anchor Investor Portion, if any, Non-Institutional Bidders and Retail Individual Bidders, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each RIB shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be allocated on a proportional basis. For further details, see “Offer Procedure” on page 432.
- (7) The Equity Shares available for allocation to NIBs under the Non-Institutional Portion, shall be subject to the following, and in accordance with the SEBI ICDR Regulations: (i) one-third of the portion available to NIBs shall be reserved for Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the portion available to NIBs shall be reserved for Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of NIBs. The allocation of Equity Shares to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis.

Allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations. For further details, see “Offer Procedure” and “Offer Structure” on pages 432 and 428, respectively. For details of terms of the Offer, see “Terms of the Offer” on page 422.

SUMMARY OF RESTATED CONSOLIDATED FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Consolidated Financial Information as at and for the three months period ended June 30, 2025, and the Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023. The summary of financial information presented below should be read in conjunction with the “*Restated Consolidated Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 269 and 352, respectively.

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SUMMARY OF RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(All amounts are in ₹ million, except share data and per share data, unless otherwise stated)

Particulars	As at June 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Assets				
Non-current assets				
Property, plant and equipment	1,623.26	1,638.88	1,802.90	1,920.50
Capital work-in-progress	129.84	29.93	10.77	21.20
Investment property	-	12.56	13.06	13.56
Right-of-use assets	932.57	960.33	387.59	337.07
Goodwill	113.73	113.93	113.73	113.73
Other intangible assets	16.84	18.92	27.83	29.87
Intangible assets under development	0.82	0.82	-	6.60
Financial assets				
(i) Investments	-	-	-	42.32
(ii) Loans	-	-	-	-
(iii) Other financial assets	389.13	271.11	163.03	182.72
Deferred tax assets (net)	161.24	148.79	104.91	82.77
Other tax assets (net)	64.64	127.97	155.96	21.69
Other non-current assets	80.66	59.75	2.33	8.54
Total non-current assets	3,512.73	3,382.99	2,782.11	2,780.57
Current assets				
Inventories	1,063.41	1,003.87	882.56	1,016.57
Financial assets				
(i) Trade receivables	1,082.52	902.42	753.08	784.84
(ii) Cash and cash equivalents	278.11	1,028.97	276.00	903.14
(iii) Bank balances other than (ii) above	983.90	813.37	1,032.39	1,522.59
(iv) Loans	9.35	8.31	5.64	7.48
(v) Other financial assets	653.72	199.93	27.34	10.90
Other current assets	209.83	180.81	283.18	346.85
Total current assets	4,280.84	4,137.68	3,260.19	4,592.37
Total assets	7,793.57	7,520.67	6,042.30	7,372.94
Equity and Liabilities				
Equity				
Equity share capital	59.76	59.76	59.76	59.76
Other equity	3,894.22	3,895.67	3,397.91	3,311.85
Equity attributable to owners of the Company	3,953.98	3,955.43	3,457.67	3,371.61
Non-controlling interests	-	-	-	-
Total equity	3,953.98	3,955.43	3,457.67	3,371.61
Non-current liabilities				
Financial liabilities				
(i) Borrowings	24.56	36.48	97.54	231.68
(ii) Lease liabilities	875.36	883.98	285.88	252.02
(iii) Other financial liabilities	8.54	10.26	21.78	7.20
Provisions	76.46	65.53	70.58	61.09
Other non-current liabilities	151.99	154.90	51.13	55.38
Total non-current liabilities	1,136.91	1,151.15	526.91	607.37
Current liabilities				
Financial liabilities				
(i) Borrowings	51.87	61.49	134.62	1,309.33
(ii) Lease liabilities	108.26	117.98	152.04	130.82
(iii) Trade payables				
(a) total outstanding dues of micro enterprises and small enterprises; and	186.23	116.63	169.37	151.81
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	1,654.58	1,481.84	1,017.07	1,270.48
(iv) Other financial liabilities	438.92	432.77	411.88	366.24
Other current liabilities	154.73	104.00	80.84	50.88
Provisions	105.56	97.43	91.60	85.95
Current tax liabilities (net)	2.53	1.95	0.30	28.45
Total current liabilities	2,702.68	2,414.09	2,057.72	3,393.96
Total liabilities	3,839.59	3,565.24	2,584.63	4,001.33
Total equity and liabilities	7,793.57	7,520.67	6,042.30	7,372.94

SUMMARY OF RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(All amounts are in ₹ million, except share data and per share data, unless otherwise stated)

Particulars	For the three months period ended June 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Income				
Revenue from operations	2,925.19	11,342.50	10,952.96	10,574.87
Other income	44.29	186.99	110.99	127.83
Total income (A)	2,969.48	11,529.49	11,063.95	10,702.70
Expenses				
Cost of materials consumed	1,623.02	6,144.15	5,698.14	5,351.33
Purchase of stock-in-trade	84.83	334.46	394.95	537.97
Changes in inventories of finished goods, semi-finished goods and stock in trade	(71.13)	(7.65)	37.77	161.01
Employee benefits expense	288.10	966.91	986.65	969.40
Other expenses	832.98	3,111.83	3,319.06	3,114.47
Expenses before finance costs and depreciation and amortisation expense (B)	2,757.80	10,549.70	10,436.57	10,134.18
Earnings before finance costs and depreciation and amortisation expense and tax (A-B)	211.68	979.79	627.38	568.52
Finance costs (C)	29.55	69.93	97.36	167.90
Depreciation and amortisation expense (D)	103.50	418.07	435.02	445.54
Total expenses (E) = (B+C+D)	2,890.85	11,037.70	10,968.95	10,747.62
Profit / (Loss) before tax (F) = (A-E)	78.63	491.79	95.00	(44.92)
Tax expense				
Current tax	34.69	64.04	5.14	155.39
Deferred Tax	(12.45)	(43.88)	(22.14)	(45.57)
Total tax expense (G)	22.24	20.16	(17.00)	109.82
Profit / (Loss) for the period / year (H) = (F-G)	56.39	471.63	112.00	(154.74)
Other comprehensive Income/ (Loss)				
<i>Items that will not be reclassified to profit or Loss</i>				
Re-measurement gains / (Loss) on defined benefit plans	(11.19)	18.93	1.00	(0.77)
Equity instruments through other comprehensive income, net	-	-	(42.32)	(34.40)
Income tax effect on above	2.82	-	-	(0.62)
Other comprehensive income/ (loss) for the period/year, net of tax (I)	(8.37)	18.93	(41.32)	(34.55)
Total comprehensive income/ (loss) for the period/ year, net of tax (H+I)	48.02	490.56	70.68	(189.29)
Profit/(Loss) attributable to:				
Owners of the Company	56.39	471.63	112.00	(154.74)
Non-controlling interests	-	-	-	-
Total Profit/(Loss) for the period / year	56.39	471.63	112.00	(154.74)
Other comprehensive income/(loss) attributable to:				
Owners of the Company	(8.37)	18.93	(41.32)	(34.55)
Non-controlling interests	-	-	-	-
Total other comprehensive income/(loss) for the period / year	(8.37)	18.93	(41.32)	(34.55)
Total comprehensive income/ (loss) attributable to:				
Owners of the Company	48.02	490.56	70.68	(189.29)
Non-controlling interests	-	-	-	-
Total comprehensive income/(loss) for the period / year	48.02	490.56	70.68	(189.29)
Earnings per equity share (face value of Re. 1 each)				
Basic (in Rs.)	0.59	4.93	1.17	(1.62)
Diluted (in Rs.)	0.59	4.93	1.17	(1.62)
	<i>(Not annualised)</i>	<i>(Annualised)</i>	<i>(Annualised)</i>	<i>(Annualised)</i>

SUMMARY OF RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS

(All amounts are in ₹ million, except share data and per share data, unless otherwise stated)

Particulars	For the three months period ended June 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from operating activities				
Profit / (loss) before tax	78.63	491.79	95.00	(44.92)
Adjustments to reconcile the profit/(loss) before tax to net cash flows :				
Depreciation and amortisation expense	103.50	418.07	435.02	445.60
Impairment of intangible assets	-	-	-	25.20
Interest on financial liabilities measured at amortized cost	28.63	67.14	92.36	160.21
Other borrowing costs	0.92	2.79	5.00	7.69
Share based payment expense	5.28	7.20	15.38	13.62
Allowance for doubtful advances	-	6.82	1.10	3.78
Allowance for expected credit loss	7.14	30.46	32.98	28.17
Advances written off	-	-	-	2.70
Interest income under the effective interest method on financial assets carried at amortised cost	(39.63)	(118.86)	(88.74)	(113.89)
Rental income from investment property	-	(3.76)	(4.67)	(5.30)
Loss on sale of property, plant and equipment (net)	-	-	0.55	(1.43)
Write off of property, plant and equipment	2.88	-	-	-
Liabilities or provisions no longer required written back	-	(11.73)	-	(2.76)
Government grants	(2.92)	(15.37)	(4.20)	(4.20)
Gain on termination of lease	-	(0.41)	(0.30)	(3.74)
Rent concession	-	-	-	(0.02)
	184.43	874.14	579.48	510.71
Working capital adjustments				
Increase/(Decrease) in trade payables	242.33	423.73	(235.86)	157.87
Increase in provisions	7.86	19.71	16.14	35.78
Increase in trade receivables	(188.53)	(179.80)	(1.23)	(31.22)
(Increase)/Decrease in inventories	(59.54)	(121.31)	134.02	168.12
(Increase)/Decrease in loans	(1.04)	(2.66)	1.83	(0.68)
(Decrease)/Increase in other financial liabilities	(30.74)	(2.12)	66.25	(55.22)
Increase/(Decrease) in other liabilities	50.74	142.30	29.92	(0.54)
Increase in other financial assets	(14.12)	(117.80)	(15.06)	(7.65)
(Increase)/Decrease in other assets	(29.58)	80.24	63.67	(13.82)
Cash generated from operations	161.81	1,116.43	639.16	763.35
Income taxes paid, net of refund	32.04	(34.40)	(167.56)	(59.30)
Net cash generated from operating activities [A]	193.85	1,082.03	471.60	704.05
Cash flows from investing activities				
Acquisition of property, plant and equipment, intangible assets and capital work-in-progress	(168.47)	(131.63)	(145.73)	(408.26)
Investment in equity instrument	-	(0.10)	-	(0.70)
Proceeds from sale of property, plant and equipment	-	-	10.69	48.40
Rental income from investment property	-	3.76	4.67	5.30
Investment in corporate fixed deposits	(436.36)	-	-	-
Investment in fixed deposits	(1,361.79)	(1,081.19)	(913.18)	(79.28)
Redemption of fixed deposits	1,065.34	1,126.62	1,380.91	603.00
Interest received	28.10	114.06	121.99	108.47
Net cash generated from/ (used in) investing activities [B]	(873.18)	31.52	459.35	276.93
Cash flows from financing activities				
Proceeds from non-current borrowings	-	-	-	135.00
Repayment of non-current borrowings	(21.54)	(133.75)	(138.50)	(152.48)
Proceeds from/(repayment of) short term borrowings	-	-	(1,169.96)	127.16
Principal payment of lease liabilities	(20.44)	(156.45)	(151.88)	(120.19)
Interest on borrowings	(6.51)	(30.78)	(55.99)	(131.87)
Interest on lease liabilities	(23.04)	(39.60)	(41.76)	(33.11)
Net cash flow used in financing activities [C]	(71.53)	(360.58)	(1,558.09)	(175.49)
Net (decrease) / increase in cash and cash equivalents [A+B+C]	(750.86)	752.97	(627.14)	805.49

(All amounts are in ₹ million, except share data and per share data, unless otherwise stated)

Particulars	For the three months period ended June 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash and cash equivalents at the beginning of the period / year	1,028.97	276.00	903.14	97.65
Cash and cash equivalents at the end of the period / year	278.11	1,028.97	276.00	903.14
Components of cash and cash equivalents:				
Balance with banks				
- On current accounts	228.02	213.57	200.90	902.74
- Deposits with original maturity of less than 3 months	50.09	815.40	75.10	0.40
Cash and Cash equivalents	278.11	1,028.97	276.00	903.14

GENERAL INFORMATION

Corporate Identity Number: U36104KL1981PLC003447

Registration Number: 003447

Duroflex Limited

Registered Office

P. B. No. 3808, Chungom, Alappuzha
Ambalappuzha 688 011
Kerala, India

Corporate Office

30/6, HSR Layout
Vide CMC Khatha No. 268/18/11
Sector 6, Hosur Main Road
Bangalore 560 068
Karnataka, India

For details of our incorporation and changes to the name and Registered Office of our Company, see “*History and Certain Corporate Matters*” on page 231.

Registrar of Companies

Our Company is registered with the Registrar of Companies, Kerala at Ernakulam:

Company Law Bhawan
BMC Road, Thrikkakara
Kochi 682 021
Kerala, India

Board of Directors

Details regarding our Board of Directors as on the date of this Draft Red Herring Prospectus are set forth below:

Name	Designation	DIN	Address
Jacob Joseph George ⁽¹⁾	Chairman and Managing Director	06603830	3F Orchard Green, Amarjyoti Layout, Domlur, Bengaluru 560 071, Karnataka, India
Mathew Chandy	Whole Time Director	05289633	2 Brunton Manor, 21/2 Brunton Road, Bangalore North, Museum Road, Bengaluru 560 025, Karnataka, India
Mathew George	Whole Time Director	03499253	852, Tower 8, Embassy Pristine, Iblur Village, Outer Ring Road, Bangalore South, Bengaluru 560 102, Karnataka, India
Mathew Antony Joseph	Whole Time Director	03499210	Flat No. 872, Embassy Pristine, #21, 6 th Main, Iblur, Behind Suncity, Bellandur, Bengaluru 560 102, Karnataka, India
Pawan Agrawal	Independent Director	08863625	A-707, RNA Royale Park, Near Hindustan Naka, M.G. Road, Kandivali (West), Mumbai 400 067, Maharashtra, India
Amita Maheshwari	Independent Director	02891889	N1-2401, Floor 24, World One, Lodha World Tower, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, Maharashtra, India
Shreyans Daga	Independent Director	07402851	K 901, Mantri Espana, Kariyamma Aghara, Varthur Hobli, Bellandur, Bengaluru 560 103, Karnataka, India
Anusha Mahalingam	Independent Director	06418747	Apt 201, Aravindaksha 113, 3 rd Main Road, Defence Colony, Indiranagar, Bangalore North, Bengaluru 560038, Karnataka, India

(1) Appointed as the Chairman and Managing Director, pursuant to the Board and Shareholders resolution each dated September 9, 2025.

For further details of our Board of Directors, see “*Our Management*” on page 243.

Company Secretary and Compliance Officer

Solly Mathew is our Company Secretary and Compliance Officer. Her contact details are as set forth below:

Solly Mathew

P. B. No. 3808

Chungom, Alappuzha

Ambalappuzha 688 011

Kerala, India

Tel: + 91 89 0469 2541

E-mail: cs@duroflexworld.com

Investor grievances

Bidders may contact the Company Secretary and Compliance Officer, BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related queries, grievances and for redressal of complaints including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, investors may also write to the BRLMs.

All Offer-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose a copy of the Acknowledgement Slip or provide the application number received from the Designated Intermediary(ies) in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

Filing of this Draft Red Herring Prospectus and the Red Herring Prospectus

A copy of this Draft Red Herring Prospectus has been uploaded on the SEBI intermediary portal at <https://siportal.sebi.gov.in> as specified in Regulation 25(8) of the SEBI ICDR Regulations and pursuant to the SEBI ICDR Master Circular.

It will also be filed with the SEBI at:

Securities and Exchange Board of India

Corporation Finance Department

Division of Issues and Listing

SEBI Bhavan, Plot No. C4 A, 'G' Block

Bandra Kurla Complex

Bandra (E), Mumbai 400 051

Maharashtra, India

The Red Herring Prospectus and Prospectus, respectively, will be filed with the RoC in accordance with Section 32 read with Section 26 of the Companies Act, along with the material contracts and documents referred to in each of the Red Herring Prospectus and the Prospectus, respectively, and through the electronic portal of MCA at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>. For details of the address of the RoC, see “- Registrar of Companies” on page 76.

Book Running Lead Managers

JM Financial Limited

7th Floor, Cnergy
Appasaheb Marathe Marg, Prabhadevi
Mumbai 400 025
Maharashtra, India
Tel: +91 22 6630 3030
E-mail: duroflex.ipo@jmfl.com
Website: www.jmfl.com
Investor Grievance E-mail: grievance.ibd@jmfl.com
Contact Person: Prachee Dhuri
SEBI Registration No.: INM000010361

Motilal Oswal Investment Advisors Limited

Motilal Oswal Tower, Rahimtullah Sayani Road
Opposite Parel ST Depot, Prabhadevi
Mumbai 400 025
Maharashtra, India
Tel: +91 22 7193 4380
E-mail: duroflex.ipo@motilaloswal.com
Website: www.motilaloswalgroup.com
Investor Grievance E-mail:
moiaplredressal@motilaloswal.com
Contact Person: Sankita Ajinkya/Shashank Pisat
SEBI Registration No.: INM000011005

Syndicate Members

[●]

Legal Counsel to the Company as to Indian Law

Trilegal

7th Floor, Mark Square
61, St. Marks Road
Bangalore – 560 001
Karnataka, India
Tel: +91 080 43434646
Email: duroflex.ipo@trilegal.com

Registrar to the Offer

KFin Technologies Limited

Selenium Tower B, Plot No. 31 and 32
Financial District, Nanakramguda
Serilingampally, Hyderabad
Rangareddi 500 032
Telangana, India
Tel: +91 40 6716 2222/18003094001
E-mail: duroflex.ipo@kfintech.com
Website: www.kfintech.com
Investor Grievance E-mail: einward.ris@kfintech.com
Contact Person: M.Murali Krishna
SEBI Registration No.: INR000000221

Statutory Auditor to our Company

B S R & Co. LLP, Chartered Accountants

Embassy Golf Links Business Park
Pebble Beach, B Block
3rd Floor No. 13/2
Off Intermediate Ring Road
Bengaluru 560 071
Karnataka, India
Tel: +91 80 4682 3000
E-mail: vikashgupta@bsraffiliates.com
Firm registration number: 101248W/W-100022
Peer review number: 019712

Changes in Auditors

There has been no change in the statutory auditors of our Company in the three years preceding the date of this Draft Red Herring Prospectus.

Bankers to the Offer

Escrow Collection Bank(s), Refund Bank(s) and Public Offer Account Bank(s)

[●]

Sponsor Banks

[●]

Bankers to our Company

Axis Bank Limited

Nitesh Times Square
Level 3, No.8, M.G.Road
Bangalore 560 001
Karnataka, India

Contact Person: Rajendra M L

Tel: +91 9986977423

E-mail: cbbbangalorebranchhead@axisbank.com

Website: www.axisbank.com

Yes Bank Limited

1st Floor, Prestige Obelisk Building
Municipal No.3, Kasturba Road
Bangalore 560 001
Karnataka, India

Contact Person: Biju Satyan

Tel: +91 7022531555

E-mail: biju.satyan@yesbank.in

Website: www.yesbank.in

HDFC Bank Limited

Nrupatunga Road, Opposite RBI
Bangalore 560 001
Karnataka, India

Contact Person: Unnati Agrawal

Tel: +91 7398483826

E-mail: unnati.agrawal@hdfcbank.com

Website: www.hdfcbank.com

Designated Intermediaries

Self-Certified Syndicate Banks and mobile applications enabled for UPI Mechanism

The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

In accordance with the SEBI RTA Master Circular, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and SEBI ICDR Master Circular, read with other applicable UPI Circulars, UPI Bidders Bidding through UPI Mechanism may apply through the SCSBs and mobile applications, using UPI handles, whose name appears on the SEBI website. A list of SCSBs and mobile applications, which, are live for applying in public issues using UPI mechanism is provided in the list available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as updated from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, i.e., through the Registered

Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the respective Stock Exchanges at <https://www.bseindia.com/> and <https://www.nseindia.com/>, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/PublicIssues/RtaDp.aspx and www.nseindia.com/products-services/initial-public-offerings-asba-procedures, respectively, as updated from time to time and on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/PublicIssues/RtaDp.aspx and www.nseindia.com/products-services/initial-public-offerings-asba-procedures, respectively, as updated from time to time.

Experts to the Offer

Except as disclosed below, our Company has not obtained any expert opinions:

Our Company has received written consent dated October 15, 2025 from our statutory auditor, B S R & Co. LLP, Chartered Accountants, to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor and in respect of their (i) examination report, dated October 11, 2025 on our Restated Consolidated Financial Information; and (ii) their report dated October 15, 2025 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated October 14, 2025, from P K Shah & Co, having a firm registration number as 308150E, holding a valid peer review certificate from ICAI, to include their names as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 in respect of various certificates issued by them in their capacity as the Independent Chartered Accountant to our Company and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received a written consent dated October 15, 2025, from Praveen Subramanya, on behalf of AJVA SP Appraisal Services Private Limited, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an Independent Chartered Engineer; and a certificate dated October 15, 2025, from Praveen Subramanya, on behalf of AJVA SP Appraisal Services Private Limited certifying, *inter alia*, the details of the installed production capacity of our manufacturing facilities. Such consent has not been withdrawn as on the date of this DRHP.

Our Company has received a written consent dated October 15, 2025, from Architects IN, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an Independent Architect; and certificate dated October 15, 2025, from Architects IN, certifying, *inter alia*, average area of COCO Stores opened and the capital expenditure incurred on the COCO Stores opened during the last three Financial Years and the three months period ended June 30, 2025, and expenses which are proposed to be incurred by the Company towards setting up of new COCO Stores. Such consent has not been withdrawn as on the date of this DRHP.

Our Company has received a written consent dated October 15, 2025, from L. R. Swami Co., intellectual property consultant, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an intellectual property consultant; and a certificate dated October 15, 2025, from L. R. Swami Co., certifying, *inter alia*, details of intellectual properties applications and registrations in our name. Such consent has not been withdrawn as on the date of this DRHP.

Such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus. It is clarified that, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

IPO Grading

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Monitoring Agency

In accordance with Regulation 41 of SEBI ICDR Regulations, our Company will appoint a monitoring agency to monitor utilization of the Gross Proceeds from the Fresh Issue prior to the filing of the Red Herring Prospectus with the RoC. For details in relation to the proposed utilisation of the Net Proceeds, see “*Objects of the Offer*” on page 116.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Credit Rating

As this is an Offer of Equity Shares, credit rating is not required for the Offer.

Debenture Trustees

As this is an Offer of Equity Shares, the appointment of debenture trustees is not required for the Offer.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Inter-se allocation of responsibilities

The following table sets forth the inter-se allocation of responsibilities for various activities among the Book Running Lead Managers:

S. No.	Activity	Responsibility	Coordinator
1.	Capital structuring, positioning strategy, due diligence of our Company including its operations/management, legal, etc. Drafting and design of the Draft Red Herring Prospectus, the Red Herring Prospectus, this Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with the SEBI ICDR Regulations and stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI and RoC filings and follow up and coordination till final approval from all regulatory authorities.	BRLMs	JM Financial Limited
2.	Drafting and approval of statutory advertisements including audio and visual presentation	BRLMs	JM Financial Limited
3.	Drafting and approval all publicity material other than statutory advertisements as mentioned in point 2 above, including corporate advertising and brochures and filing of media compliance report with SEBI.	BRLMs	Motilal Oswal Investment Advisors Limited
4.	Appointment of intermediaries - Registrar to the Offer, advertising agency, printers to the Offer, Bankers to the Offer, Monitoring Agency, Sponsor Banks, and other intermediaries including coordination for agreements to be entered into with such intermediaries.	BRLMs	JM Financial Limited
5.	Preparation of road show presentation and frequently asked questions for the road show meetings	BRLMs	Motilal Oswal Investment Advisors Limited
6.	International institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy • Finalising the list and division of international investors for one - to - one meetings • Finalising international road show and investor meeting schedules	BRLMs	Motilal Oswal Investment Advisors Limited
7.	Domestic institutional marketing of the Offer, which will cover, inter alia:	BRLMs	JM Financial Limited

S. No.	Activity	Responsibility	Coordinator
	- Finalising the list and division of domestic investors for one-to one meetings - Finalising domestic road show and investor meeting schedules		
8.	Conduct non-institutional marketing of the Offer: - Finalising media, marketing and public relations strategy; - Formulating strategies for marketing to Non – Institutional Investors.	BRLMs	Motilal Oswal Investment Advisors Limited
9.	Conduct retail marketing of the Offer, which will cover, inter-alia: - Finalising media, marketing, public relations strategy and publicity budget - Finalising collection centres - Finalising centres for holding conferences for brokers, etc. Follow-up on distribution of publicity and Offer material including form, RHP/Prospectus and deciding on the quantum of the Offer material	BRLMs	JM Financial Limited
10.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading, anchor coordination, anchor CAN and intimation of anchor allocation	BRLMs	Motilal Oswal Investment Advisors Limited
11.	Managing the book and finalization of pricing in consultation with Company	BRLMs	Motilal Oswal Investment Advisors Limited
12.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Bankers to the Offer, intimation of allocation and dispatch of refund to Bidders, etc. Post-Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-Offer activity such as registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Co-ordination with SEBI and Stock Exchanges for submission of all post Offer reports including the post Offer report to SEBI.	BRLMs	Motilal Oswal Investment Advisors Limited

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus and the Bid Cum Application Forms and the Revision Forms within the Price Band, which will be decided by our Company, in consultation with the Book Running Lead Managers, and which will either be included in the Red Herring Prospectus or will be advertised in all editions of [●], an English national daily newspaper, all editions of [●], a Malayalam national daily newspaper (Malayalam being the regional language of Kerala, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Offer Price shall be determined by our Company and the Book Running Lead Managers after the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. For details, see “Offer Procedure” on page 432.

All Bidders (other than Anchor Investors) shall participate in this Offer mandatorily through the ASBA process by providing the details of their respective bank accounts in which the corresponding Bid Amount will be blocked by the SCSBs. In addition to this, the RIBs may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Pursuant to SEBI ICDR Master Circular, all individual bidders in initial public offerings whose application sizes are up to ₹[●] million shall use the UPI Mechanism. Non-Institutional Investors with an application size of up to ₹ 0.50 million shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application

Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of the number of Equity Shares of face value of ₹1 each or the Bid Amount) at any stage. RIBs and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Except for Allocation to RIBs, NIBs and the Anchor Investors, allocation in the Offer will be on a proportionate basis. Further, allocation to Anchor Investors will be on a discretionary basis and allocation to the Non-Institutional Investors will be in a manner as may be introduced under applicable laws.

Each Bidder will be deemed to have acknowledged the above restrictions and the terms of the Offer, by submitting their Bid in the Offer.

The process of Book Building under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid in the Offer.

Bidders should note that, the Offer is also subject to obtaining (i) the final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment as per the prescribed timelines in compliance with the SEBI ICDR Regulations.

For further details, see “Terms of the Offer”, “Offer Structure” and “Offer Procedure” on pages 422, 428 and 432, respectively. For details in relation to filing of this Draft Red Herring Prospectus see “-Filing of this Draft Red Herring Prospectus” on page 77.

Illustration of Book Building and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see “Offer Procedure” on page 432.

Underwriting Agreement

After determination of the Offer Price and allocation of Equity Shares, our Company and the each of the Selling Shareholders intend to, prior to the filing of the Prospectus with the RoC, enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares which they shall subscribe to on account of rejection of bids, either by themselves or by procuring subscription, at a price which shall not be less than the Offer Price.

(The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus. This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC.)

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares of face value of ₹1 each to be underwritten	Amount underwritten (in ₹ million)
[●]	[●]	[●]

The aforementioned underwriting commitments are indicative and will be finalised after pricing of the Offer, the Basis of Allotment and actual allocation in accordance with provisions of the SEBI ICDR Regulations.

In the opinion of our Board, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. Our Board/ IPO committee, at its meeting held on [●], approved the acceptance and entering into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure purchasers for or purchase the Equity Shares to the extent of the defaulted amount and the Bids to be underwritten in the Offer by each Book Running Lead Manager shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

Details of the share capital of our Company, as at the date of this Draft Red Herring Prospectus, are as set forth below:

(in ₹, except share data)			
	Particulars	Aggregate value at face value	Aggregate value at Offer Price*
A	AUTHORISED SHARE CAPITAL⁽¹⁾		
	<i>Equity Shares comprising:</i>		
	111,900,000 Equity Shares of face value of ₹1 each	111,900,000	-
	<i>Preference Shares comprising:</i>		
	1,000 Preference Shares of face value ₹100 each	100,000	-
	Total	112,000,000	-
B	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER		
	<i>Equity Shares comprising:</i>		
	95,612,576 Equity shares of face value ₹1 each	95,612,576	-
	Total	95,612,576	-
C	PRESENT OFFER⁽²⁾		
	Offer of up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹[●] million ⁽³⁾⁽⁴⁾	[●]	[●]
	<i>of which</i>		
	Fresh Issue of up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹ 1,836.00 million ⁽³⁾	[●]	[●]
	Offer for Sale of up to 22,564,569 Equity Shares of face value of ₹1 each aggregating up to ₹ [●] ⁽⁴⁾	[●]	[●]
	Employee Reservation Portion of up to [●] Equity Shares of face value of ₹1 each ⁽⁵⁾	[●]	[●]
	Net Offer of up to [●] Equity Shares of face value of ₹1 each	[●]	[●]
D	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER		
	[●] Equity Shares of face value of ₹1 each*	[●]	-
E	SECURITIES PREMIUM ACCOUNT		
	Before the Offer		2,750,726,167
	After the Offer*		[●]

* To be updated upon finalisation of the Offer Price, and subject to the Basis of Allotment.

⁽¹⁾ For details of changes in the authorised share capital of our Company since incorporation, see “History and Certain Corporate Matters – Amendments to our MoA in the last 10 years” on page 232.

⁽²⁾ Our Company, in consultation with the Book Running Lead Managers, may consider a Pre-IPO Placement aggregating up to ₹367.20 million, as may be permitted under the applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the allotment of the Equity Shares issued pursuant to the Pre-IPO Placement will be done towards the general corporate purposes portion of the Objects of the Offer, unless auditor certified disclosures are made with regards to its utilization towards the disclosed specific Objects of the Offer. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

⁽³⁾ The Offer has been authorised by our Board pursuant to the resolution passed at its meeting dated October 11, 2025 and by our Shareholders pursuant to the special resolution passed at their extraordinary general meeting dated October 11, 2025.

⁽⁴⁾ Our Board has taken on record the consents of each of the Selling Shareholders to participate in the Offer for Sale, pursuant to its resolution dated October 15, 2025. The Selling Shareholders have confirmed and approved their participation in the Offer for Sale and their eligibility to participate in the Offer for Sale in accordance with Regulation 8 and 8A of the SEBI ICDR Regulations. For further details, see “The Offer” and “Other Regulatory and Statutory Disclosures” on pages 69 and 408, respectively.

⁽⁵⁾ Eligible Employees bidding in the Employee Reservation Portion must ensure that the maximum Bid Amount does not exceed ₹0.50 million. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million. Only in the event of an under-subscription in the Employee Reservation Portion post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹0.20 million, subject to the total Allotment to an Eligible Employee not exceeding ₹0.50 million.

Notes to the capital structure

1. Share capital history of our Company

(a) Equity share capital

The history of the equity share capital of our Company is set forth below:

Date of allotment	Names of allottees	Nature of allotment	Nature of consideration	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
November 9, 1981* [@]	Initial subscription of 50 equity shares of face value ₹ 10 each to P C Mathew and George L Mathew	Initial subscription to the Memorandum of Association	Cash	100	10	10	100	1,000
November 24, 1981* ^{***}	Allotment of 450 equity shares of face value ₹ 10 each to P C Mathew, 450 equity shares of face value ₹ 10 each to George L Mathew, 500 equity shares of face value ₹ 10 each to P Chandy Mathew, 500 equity shares of face value ₹ 10 each to Joseph Mathew, 500 equity shares of face value ₹ 10 each to Abraham Mathew, 500 equity shares of face value ₹ 10 each to Tomy Mathew and 500 equity shares of face value ₹ 10 each to Johnny Mathew	Further issue	Cash	3,400	10	10	3,500	35,000
January 29, 1983* ^{***}	Allotment of 10,750 equity shares of face value ₹ 10 each to P C Mathew, 10,750 equity shares of face value ₹ 10 each to George L Mathew, 10,750 equity shares of face value ₹ 10 each to P Chandy Mathew, 10,750 equity shares of face value ₹ 10 each to Joseph Mathew, 10,750 equity shares of face value ₹ 10 each to Abraham Mathew, 10,750 equity shares of face value ₹ 10 each to Tomy Mathew, 10,750 equity shares of face value ₹ 10 each to Kunjamma Mathew and 10 equity shares of face value ₹ 10 each to Integrated Consultants Private Limited	Further issue	Cash	75,260	10	10	78,760	787,600
December 26, 1987* ^{***}	Allotment of 10,750 equity shares of face value ₹ 10 each to Johnny Mathew	Further issue	Cash	10,750	10	10	89,510	895,100
April 25, 1988* ^{***}	Allotment of 11,750 equity shares of face value ₹ 10 each to George L Mathew, 11,750 equity shares of face value ₹ 10	Further issue	Cash	70,500	10	10	160,010	1,600,100

Date of allotment	Names of allottees	Nature of allotment	Nature of consideration	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
	each to P Chandy Mathew, 11,750 equity shares of face value ₹ 10 each to Joseph Mathew, 11,750 equity shares of face value ₹ 10 each to Abraham Mathew, 11,750 equity shares of face value ₹ 10 each to Tomy Mathew and 11,750 equity shares of face value ₹ 10 each to Johnny Mathew							
February 20, 1992**	Allotment of 11,250 equity shares of face value ₹ 10 each to P C Mathew, 23,000 equity shares of face value ₹ 10 each to George L Mathew, 23,000 shares of face value ₹ 10 each to Tomy Mathew, 23,000 equity shares of face value ₹ 10 each to P Chandy Mathew, 23,000 equity shares of face value ₹ 10 each to Joseph Mathew, 23,000 equity shares of face value ₹ 10 each to Abraham Mathew, 23000 equity shares of face value ₹ 10 each to Johnny Mathew, 10,750 equity shares of face value ₹ 10 each to Kunjamma Mathew and 10 equity shares of face value ₹ 10 each to Integrated Consultants Private Limited	Bonus issue in the ratio 1:1 (i.e., one equity share for each one equity share held)	N.A.	160,010	10	N.A.	320,020	3,200,200
October 1, 1993**	Allotment of 33,750 equity shares of face value ₹ 10 each to P C Mathew, 32,250 equity shares of face value ₹ 10 each to Kunjamma Mathew, 69,000 equity shares of face value ₹ 10 each to P Chandy Mathew, 69,000 equity shares of face value ₹ 10 each to Abraham Mathew, 69,000 equity shares of face value ₹ 10 each to George L Mathew, 69,000 equity shares of face value ₹ 10 each to Tomy Mathew, 69,000 equity shares of face value ₹ 10 each to Johnny Mathew, 69,000 equity shares of face value ₹ 10 each to Sheela Joseph and 30 equity shares of face value ₹ 10 each to Integrated Consultants Private Limited	Bonus issue in the ratio 1.5:1 (i.e., one and a half equity shares for each one equity share held)	N.A.	480,030	10	N.A.	800,050	8,000,500
September 1, 1994**	Allotment of 56,250 equity shares of face value ₹ 10 each to P C Mathew, 115,000	Bonus issue in the ratio 1:1 (i.e., one equity share	N.A.	800,050	10	N.A.	1,600,100	16,001,000

Date of allotment	Names of allottees	Nature of allotment	Nature of consideration	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
	equity shares of face value ₹ 10 each to George L Mathew, 115,000 equity shares of face value ₹ 10 each to P Chandy Mathew, 115,000 equity shares of face value ₹ 10 each to Sheela Joseph, 115,000 equity shares of face value ₹ 10 each to Abraham Mathew, 115,000 equity shares of face value ₹ 10 each to Tomy Mathew, 115,000 equity shares of face value ₹ 10 each to Johnny Mathew, 53,750 equity shares of face value ₹ 10 each to Kunjamma Mathew and 50 equity shares of face value ₹ 10 each to Integrated Consultants Private Limited	for each one equity share held)						
July 22, 1995**	Allotment of 84,375 equity shares of face value ₹ 10 each to P C Mathew, 172,500 equity shares of face value ₹ 10 each to George L Mathew, 172,500 equity shares of face value ₹ 10 each to P Chandy Mathew, 172,500 equity shares of face value ₹ 10 each to Sheela Joseph, 172,500 equity shares of face value ₹ 10 each to Abraham Mathew, 172,500 equity shares of face value ₹ 10 each to Tomy Mathew, 172,500 equity shares of face value ₹ 10 each to Johnny Mathew, 80,625 equity shares of face value ₹ 10 each to Kunjamma Mathew and 75 equity shares of face value ₹ 10 each to Integrated Consultants Private Limited	Bonus issue in the ratio 3:4 (i.e., three equity shares for every four equity shares held)	N.A.	1,200,075	10	N.A.	2,800,175	28,001,750
September 28, 1995	Allotment of 8,993 equity shares of face value ₹ 10 each to P C Mathew, 7,205 equity shares of face value ₹ 10 each to George L Mathew, 7,205 equity shares of face value ₹ 10 each to P Chandy Mathew, 4,813 equity shares of face value ₹ 10 each to Sheela Joseph, 7,205 equity shares of face value ₹ 10 each to Abraham Mathew, 7,205 equity shares of face value ₹ 10 each to Tomy Mathew, 8,594 equity shares of face value ₹ 10 each to Johnny Mathew, 9,812 equity shares of face value ₹ 10 each	Allotment pursuant to scheme of amalgamation	Other than cash [^]	104,002	10	N.A	2,904,177	29,041,770

Date of allotment	Names of allottees	Nature of allotment	Nature of consideration	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
	to Kunjamma Mathew, 8,594 equity shares of face value ₹ 10 each to Mathew Chandy, 8,594 equity shares of face value ₹ 10 each to Mathew Antony Joseph, 4,881 equity shares of face value ₹ 10 each to Mathew Abraham, 3,713 equity shares of face value ₹ 10 each to Antony Abraham, 4,483 equity shares of face value ₹ 10 each to Mathew George, 4,111 equity shares of face value ₹ 10 each to Jacob Joseph George and 8,594 equity shares of face value ₹ 10 each to Mathew Tomy Abhishek							
November 1, 2004	Pursuant to the order passed by the Company Law Board dated September 24, 2004 and board meeting dated November 1, 2004, 411,496 equity shares of face value ₹ 10 each held by Abraham Mathew, 411,496 equity shares of face value ₹ 10 each held by Tomy Mathew, 4,881 equity shares of face value ₹ 10 each held by Mathew Abraham, 3,713 equity shares of face value ₹ 10 held by Antony Abraham and 8,594 equity shares of face value ₹ 10 each held by Abhishek Thomas Mathew were purchased by the Company for a consideration of ₹ 55 per equity share, effective from November 1, 2004, thereby leading to a reduction of share capital as per Section 402(c) of the Companies Act, 1956.							
July 10, 2007***	Pursuant to the order passed by the Company Law Board dated July 10, 2007, and board meeting dated November 17, 2007, 412,889 equity shares of face value ₹ 10 each held by Johnny Mathew were purchased by the Company, for a consideration of ₹ 55 per equity share, thereby leading to a reduction of share capital as per Section 402(c) of the Companies Act, 1956.							
February 9, 2008**	Allotment of 404,551 equity shares of face value ₹ 10 each to George L Mathew, 209,104 equity shares of face value ₹ 10 each to Sheela Joseph, 420,090 equity shares of face value ₹ 10 each to Mathew Chandy, 208,594 equity shares of face value ₹ 10 each to Mathew Antony Joseph, 204,483 equity shares of face value ₹ 10 each to Mathew George, 204,111 equity shares of face value ₹ 10 each to Jacob Joseph George, 40 equity shares of face value ₹ 10 each to Lt. Col Mohan Andrews, 15 equity shares of face value ₹ 10 each to John Joseph E, 15 equity shares of face value ₹ 10 each to Sankar Iyer, 15 equity shares of face value ₹ 10 each to Thomas Joseph, 15 equity shares of face value ₹ 10 each to W T Staney, 15 equity shares of face value ₹ 10 each to K A Abraham, 15 equity shares of face value ₹ 10 each to P Richard	Bonus issue in the ratio 1:1 (i.e. one equity share for each one equity share held)	N.A.	1,651,108	10	N.A.	3,302,216	33,022,160

Date of allotment	Names of allottees	Nature of allotment	Nature of consideration	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
	Ravindra Kumar, 15 equity shares of face value ₹ 10 each to S I Mohammad Shaffiullah, 15 equity shares of face value ₹ 10 each to Shaji Joseph and 15 equity shares of face value ₹ 10 each to Ramakumari Vijayan							
October 30, 2008	Allotment of 269,721 equity shares of face value ₹ 10 each to George L Mathew, 139,403 equity shares of face value ₹ 10 each to Sheela Joseph, 280,060 equity shares of face value ₹ 10 each to Mathew Chandy, 139,063 equity shares of face value ₹ 10 each to Mathew Antony Joseph, 136,322 equity shares of face value ₹ 10 each to Mathew George, 136,074 equity shares of face value ₹ 10 each to Jacob Joseph George, 26 equity shares of face value ₹ 10 each to Lt. Col. Mohan Andrews, 10 equity shares of face value ₹ 10 each to John Joseph E, 10 equity shares of face value ₹ 10 each to Sankar Iyer, 10 equity shares of face value ₹ 10 each to Thomas Joseph, 10 equity shares of face value ₹ 10 each to W T Staney, 10 equity shares of face value ₹ 10 each to K A Abraham, 10 equity shares of face value ₹ 10 each to P Richard Ravindra Kumar and 10 equity shares of face value ₹ 10 each to Shaji Joseph	Bonus issue in the ratio 1:3 (i.e. one equity share for every three equity shares held)	N.A.	1,100,739	10	N.A.	4,402,955	44,029,550
January 12, 2009	Allotment of 100,000 equity shares of face value ₹ 10 each to Mathew Joseph Moozhayil, 175,000 equity shares of face value ₹ 10 each to Mathew M Mathew and 175,000 equity shares of face value ₹ 10 each to Lawrence J Kodiyanplakkal	Further issue	Cash	450,000	10	100	4,852,955	48,529,550
October 26, 2018^^	Allotment of 593,399 equity shares of face value ₹ 10 each to Lighthouse India Fund III, Limited and 6,315 equity shares of face value ₹ 10 each to Sachin Kumar Bhartiya (in his capacity as a trustee of Lighthouse India III Employee Trust)	Preferential allotment	Cash	599,714	10	1,267.27	5,452,669	54,526,690

Date of allotment	Names of allottees	Nature of allotment	Nature of consideration	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
October 14, 2021 ^{^^}	Allotment of 523,117 equity shares of face value ₹ 10 each to Norwest Capital, LLC	Preferential allotment	Cash	523,117	10	3,907.19	5,975,786	59,757,860
October 23, 2024	Pursuant to a board and shareholders resolution dated October 23, 2024, each equity share of our Company of face value of ₹10 was split into ten Equity Shares of face value of ₹1 each. Accordingly, the issued share capital of our Company changed from 5,975,786 equity shares bearing face value of ₹10 each to 59,757,860 Equity Shares bearing face value of ₹1 each.							
September 25, 2025 ^{\$}	Allotment of 59,03,028 Equity Shares of face value ₹ 1 each to Mathew Chandy, 6,313,374 Equity Shares of face value ₹ 1 each to Mathew Antony Joseph, 5,713,644 Equity Shares of ₹ 1 each to Mathew George, 5,895,996 Equity Shares of face value ₹ 1 each to Jacob Joseph George, 5,064,438 to Lighthouse India Fund III, Limited, 53,898 Equity Shares of face value ₹ 1 each to Sachin Kumar Bhartiya (in his capacity as the trustee of Lighthouse India III Employee Trust) and 6,910,338 Equity Shares of face value ₹ 1 each Norwest Capital, LLC	Bonus issue in the ratio of 3:5 (i.e. three Equity Shares for every five equity shares held)	N.A.	35,854,716	1	N.A.	95,612,576	95,612,576

* Our Company has been unable to trace certain corporate records, including Form -1, Form 2 and list of allottees for such allotments as the relevant information is not available in the records maintained by our Company. Our Company has commissioned an extensive search of its records with the RoC, both physically and on the MCA portal, and in this regard has obtained and relied on a search report dated October 14, 2025, issued by an independent practicing company secretary, HVS & Associates, Company Secretaries. Further, we have also sent an intimation through our letter dated October 14, 2025, to the RoC informing them of the missing RoC filings, including Form 2 with respect to such allotments. In relation to these missing corporate records, we have included the details based on register of members and the certified true copy of the board meetings, where relevant and information available to our Company. For further details, see "Risk Factors – We are unable to trace some of our historical records including forms filed with the RoC. There is no assurance that regulatory proceedings or actions will not be initiated against us in the future and that we will not be subject to any penalty imposed by the competent regulatory authority in this regard" on page 52.

@ Please note that the discrepancy in relation to the date of initial allotment of equity shares as per the certified true copy of the board resolution and the MoA is due to incorporation of our Company post subscription to the MoA.

** The challan with respect to the Form- 2 filed in relation to this allotment/issue is not available.

*** The challan with respect to the Form-21 filed in relation to this allotment is not available.

^ Pursuant to a scheme of amalgamation between our Company, Rubrofibre Private Limited and HSC Special Alloys Private Limited and their respective shareholders and creditors, 55 equity shares of face value ₹10 of our Company were issued to the erstwhile shareholders of Rubrofibre Private Limited for every 4 equity shares of face value ₹ 100 each held by the shareholders of Rubrofibre Private Limited in our Company and 7 equity shares of face value ₹ 10 each of our Company were allotted to the preference shareholders of Rubrofibre Private Limited for every 4 cumulative preference shares of face value of ₹ 100 each held by the shareholders of Rubrofibre Private Limited.

^^ For further details in relation to the share subscription and purchase agreement dated October 1, 2018, entered into by and amongst our Company, Lighthouse India Fund III, Limited, Lighthouse India III Employee Trust, Mathew George, Mathew Chandy, Mathew Antony Joseph, Jacob Joseph George, George L Mathew, Mathew George, Annie Chandy, Mathew Chandy, Sheela Joseph, Mathew Antony Joseph, Mallu George, Jacob Joseph George, George L Mathew, and Coco-Latex Exports Private Limited, please see "History and Certain Corporate Matters – Other Agreements" on page 238.

^^^ For further details in relation to the share subscription agreement dated October 12, 2021, entered into by and amongst our Company, Norwest Capital, LLC, Mathew George, Mathew Chandy, Mathew Antony Joseph and Jacob Joseph George, please see "History and Certain Corporate Matters – Other Agreements" on page 238.

\$ As on the date of this Draft Red Herring Prospectus, the RBI acknowledgement for the Form FC-GPR filed in relation to this allotment is pending. For further information, please refer to "Risk Factors – Failure to obtain or renew approvals, licenses, registrations and permits to operate our business in a timely manner, or at all, may adversely affect our business, financial condition, results of operations and cash flows." on page 51.

Our Company has made the abovementioned issuances and allotments of equity shares from the date of incorporation of our Company till the date of filing of this Draft Red Herring Prospectus in compliance with the relevant provisions of the Companies Act, 1956 and Companies Act, 2013, to the extent applicable.

(b) Secondary Transactions

Secondary transactions by members of Promoter Group and Selling Shareholders

Except as disclosed in “ - Notes to the capital structure – History of the Equity Share capital held by our Promoters” on page 103 and as set out below, there has been no acquisition of Equity Shares through secondary transactions by our Promoters, Selling Shareholders and the members of the Promoter Group, as on the date of this Draft Red Herring Prospectus.

Date of transfer of securities*	Name of transferor	Name of transferee	Number of securities transferred	Nature of securities	Nature of consideration	Face value per security (in ₹)	Transfer price per security (in ₹)
Promoter Group							
May 28, 2002	Kunjamma Mathew	George L Mathew	394,846	Equity shares	Transfer by way of transmission	10	N.A.
		Sheela Joseph	1,791	Equity shares	Transfer by way of transmission	10	N.A.
October 30, 2008	Ramakumari Vijayan	George L Mathew	30	Equity shares	Cash	10	10
	S.I Mohammad Shaffiullah	George L Mathew	30	Equity shares	Cash	10	10
December 15, 2008	John Joseph E	George L Mathew	40	Equity shares	Cash	10	10
	Sankar Iyer	George L Mathew	40	Equity shares	Cash	10	10
	Thomas Joseph	George L Mathew	40	Equity shares	Cash	10	10
	W T Staney	George L Mathew	40	Equity shares	Cash	10	10
	K A Abraham	George L Mathew	40	Equity shares	Cash	10	10
	P Richard Ravindra Kumar	George L Mathew	40	Equity shares	Cash	10	10
January 12, 2009	George L Mathew	Mathew Joseph Moozhayil	12,500	Equity shares	Cash	10	100
	Sheela Joseph	Mathew Joseph Moozhayil	6,250	Equity shares	Cash	10	100
February 19, 2016	George L Mathew	John Joseph E	10	Equity Shares	Cash	10	10
	George L Mathew	David Stephens	10	Equity Shares	Cash	10	10
	George L Mathew	KA Abraham	10	Equity Shares	Cash	10	10
September 30, 2017	George L Mathew	Mallu George	746,615	Equity shares	Transfer by way of gift	10	N.A.
January 18, 2018	Mathew M Mathew	George L Mathew	100,000	Equity shares	Cash	10	314.25
February 9, 2018	Mathew Joseph Moozhayil	George L Mathew	12,500	Equity shares	Cash	10	314.00
	Mathew Joseph Moozhayil	Coco-Latex Exports Private Limited	40,000	Equity shares	Cash	10	313.75
September 15, 2018	John Joseph E	George L Mathew	10	Equity shares	Cash	10	1,200
	David Stephens	George L Mathew	10	Equity shares	Cash	10	1,200
	K A Abraham	George L Mathew	10	Equity shares	Cash	10	1,200
November 2, 2018	George L Mathew	Lighthouse India Fund III, Limited	216,449	Equity shares	Cash	10	1,267.27
	George L Mathew	Sachin Kumar Bhartiya (in his capacity as a trustee of Lighthouse India III Employee Trust)	2,304	Equity shares	Cash	10	1,267.27
	Annie Chandy	Lighthouse India Fund III, Limited	72,073	Equity shares	Cash	10	1,267.27

Date of transfer of securities *	Name of transferor	Name of transferee	Number of securities transferred	Nature of securities	Nature of consideration	Face value per security (in ₹)	Transfer price per security (in ₹)
	Annie Chandy	Sachin Kumar Bhartiya (in his capacity as a trustee of Lighthouse India III Employee Trust)	767	Equity shares	Cash	10	1,267.27
	Sheela Joseph	Lighthouse India Fund III, Limited	72,073	Equity shares	Cash	10	1,267.27
	Sheela Joseph	Sachin Kumar Bhartiya (in his capacity as a trustee of Lighthouse India III Employee Trust)	767	Equity shares	Cash	10	1,267.27
	Mallu George	Lighthouse India Fund III, Limited	36,637	Equity shares	Cash	10	1,267.27
	Mallu George	Sachin Kumar Bhartiya (in his capacity as a trustee of Lighthouse India III Employee Trust)	390	Equity shares	Cash	10	1,267.27
October 14, 2021	George L Mathew	Norwest Capital, LLC	5,000	Equity shares	Cash	10	3,907.19
December 21, 2021	Miriam Chandy	Norwest Capital, LLC	51,188	Equity Shares	Cash	10	3,907.19
<i>Selling Shareholders</i>							
<i>Lighthouse India Fund III, Limited</i>							
November 2, 2018	George L Mathew	Lighthouse India Fund III, Limited	216,449	Equity Shares	Cash	10	1,267.27
	Mathew George	Lighthouse India Fund III, Limited	54,854	Equity Shares	Cash	10	1,267.27
	Annie Chandy	Lighthouse India Fund III, Limited	72,073	Equity Shares	Cash	10	1,267.27
	Mathew Chandy	Lighthouse India Fund III, Limited	74,363	Equity Shares	Cash	10	1,267.27
	Sheela Joseph	Lighthouse India Fund III, Limited	72,073	Equity Shares	Cash	10	1,267.27
	Mathew Antony Joseph	Lighthouse India Fund III, Limited	74,555	Equity Shares	Cash	10	1,267.27
	Mallu George	Lighthouse India Fund III, Limited	36,637	Equity Shares	Cash	10	1,267.27
	Jacob Joseph George	Lighthouse India Fund III, Limited	54,859	Equity Shares	Cash	10	1,267.27
October 14, 2021	Lighthouse India Fund III, Limited	Norwest Capital, LLC	405,189	Equity Shares	Cash	10	3,907.19
<i>Lighthouse India III Employee Trust</i>							
November 2, 2018	George L Mathew	Sachin Kumar Bhartiya (in his capacity as a trustee of	2,304	Equity Shares	Cash	10	1,267.27

Date of transfer of securities*	Name of transferor	Name of transferee	Number of securities transferred	Nature of securities	Nature of consideration	Face value per security (in ₹)	Transfer price per security (in ₹)
		Lighthouse India III Employee Trust)					
	Mathew George	Sachin Kumar Bhartiya (in his capacity as a trustee of Lighthouse India III Employee Trust)	584	Equity Shares	Cash	10	1,267.27
	Annie Chandy	Sachin Kumar Bhartiya (in his capacity as a trustee of Lighthouse India III Employee Trust)	767	Equity Shares	Cash	10	1,267.27
	Mathew Chandy	Sachin Kumar Bhartiya (in his capacity as a trustee of Lighthouse India III Employee Trust)	791	Equity Shares	Cash	10	1,267.27
	Sheela Joseph	Sachin Kumar Bhartiya (in his capacity as a trustee of Lighthouse India III Employee Trust)	767	Equity Shares	Cash	10	1,267.27
	Mathew Antony Joseph	Sachin Kumar Bhartiya (in his capacity as a trustee of Lighthouse India III Employee Trust)	793	Equity Shares	Cash	10	1,267.27
	Mallu George	Sachin Kumar Bhartiya (in his capacity as a trustee of Lighthouse India III Employee Trust)	390	Equity Shares	Cash	10	1,267.27
	Jacob Joseph George	Sachin Kumar Bhartiya (in his capacity as a trustee of Lighthouse India III Employee Trust)	584	Equity Shares	Cash	10	1,267.27
October 14, 2021	Sachin Kumar Bhartiya (in his capacity as a trustee of Lighthouse India III Employee Trust)	Norwest Capital, LLC	4,312	Equity Shares	Cash	10	3,907.19

2. Offer of specified securities at a price lower than the Offer Price in the last year

The Offer Price is [●]. For further details in relation to the issuances in preceding one year, see “– Notes to the Capital Structure – Share capital history of our Company – (a) Equity share capital” on page 86.

3. Offer of shares for consideration other than cash or out of revaluation reserves

- (i) As on the date of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares out of revaluation reserves since its incorporation as on the date of this Draft Red Herring Prospectus.
- (ii) Except as disclosed below, our Company has not issued any Equity Shares for consideration other than cash or by way of bonus issue since its incorporation:

Date of allotment	Nature of allotment	Name(s) of allottee(s) and details of equity shares allotted per allottee	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration
February 20, 1992	Allotment of 11,250 equity shares of face value ₹ 10 each to P C Mathew, 23,000 equity shares of face value ₹ 10 each to George L Mathew, 23,000 shares of face value ₹ 10 each to Tomy Mathew 23,000 equity shares of face value ₹ 10 each to P Chandy Mathew, 23,000 equity shares of face value ₹ 10 each to Joseph Mathew, 23,000 equity shares of face value ₹ 10 each to Abraham Mathew, 23,000 equity shares of face value ₹ 10 each to Johnny Mathew, 10,750 equity shares of face value ₹ 10 each to Kunjamma Mathew and 10 equity shares of face value ₹ 10 each to Integrated Consultants Private Limited	Bonus issue in the ratio 1:1 (i.e., one equity share for each one equity share held)	160,010	10	N.A.	N.A.
October 1, 1993	Allotment of 33,750 equity shares of face value ₹ 10 each to P C Mathew, 32,250 equity shares of face value ₹ 10 each to Kunjamma Mathew, 69,000 equity shares of face value ₹ 10 each to P Chandy Mathew, 69,000 equity shares of face value ₹ 10 each to Abraham Mathew, 69,000 equity shares of face value ₹ 10 each to George L Mathew, 69,000 equity shares of face	Bonus issue in the ratio 1.5:1 (i.e., one and a half equity shares for each one equity share held)	480,030	10	N.A.	N.A.

Date of allotment	Nature of allotment	Name(s) of allottee(s) and details of equity shares allotted per allottee	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration
	value ₹ 10 each to Tomy Mathew, 69,000 equity shares of face value ₹ 10 each to Johnny Mathew, 69,000 equity shares of face value ₹ 10 each to Sheela Joseph and 30 equity shares of face value ₹ 10 each to Integrated Consultants Private Limited					
September 1, 1994	Allotment of 56,250 equity shares of face value ₹ 10 each to P C Mathew, 115,000 equity shares of face value ₹ 10 each to George L Mathew, 115,000 equity shares of face value ₹ 10 each to P Chandy Mathew, 115,000 equity shares of face value ₹ 10 each to Sheela Joseph, 115,000 equity shares of face value ₹ 10 each to Abraham Mathew, 115,000 equity shares of face value ₹ 10 each to Tomy Mathew, 115,000 equity shares of face value ₹ 10 each to Johnny Mathew, 53,750 equity shares of face value ₹ 10 each to Kunjamma Mathew and 50 equity shares of face value ₹ 10 each to Integrated Consultants Private Limited	Bonus issue in the ratio 1:1 (i.e., one equity share for each one equity share held)	800,050	10	N.A.	N.A.
July 22, 1995	Allotment of 84,375 equity shares of face value ₹ 10 each to P C Mathew, 172,500 equity shares of face value ₹ 10 each to George L Mathew, 172,500 equity shares of face value ₹ 10 each to P Chandy Mathew, 172,500 equity shares of face value ₹ 10 each to Sheela Joseph, 172,500 equity shares of face value ₹ 10 each to Abraham	Bonus issue in the ratio 3:4 (i.e., three equity shares for every four equity shares held)	1,200,075	10	N.A.	N.A.

Date of allotment	Nature of allotment	Name(s) of allottee(s) and details of equity shares allotted per allottee	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration
	Mathew, 172,500 equity shares of face value ₹ 10 each to Tomy Mathew, 172,500 equity shares of face value ₹ 10 each to Johnny Mathew, 80,625 equity shares of face value ₹ 10 each to Kunjamma Mathew and 75 equity shares of face value ₹ 10 each to Integrated Consultants Private Limited					
September 28, 1995	Allotment of 8,993 equity shares of face value ₹ 10 each to P C Mathew, 7,205 equity shares of face value ₹ 10 each to George L Mathew, 7,205 equity shares of face value ₹ 10 each to P Chandy Mathew, 4,813 equity shares of face value ₹ 10 each to Sheela Joseph, 7,205 equity shares of face value ₹ 10 each to Abraham Mathew, 7,205 equity shares of face value ₹ 10 each to Tomy Mathew, 8,594 equity shares of face value ₹ 10 each to Johnny Mathew, 9,812 equity shares of face value ₹ 10 each to Kunjamma Mathew, 8,594 equity shares of face value ₹ 10 each to Mathew Chandy 8,594 equity shares of face value ₹ 10 each to Mathew Antony Joseph, 4,881 equity shares of face value ₹ 10 each to Mathew Abraham, 3,713 equity shares of face value ₹ 10 each to Antony Abraham, 4,483 equity shares of face value ₹ 10 each to Mathew George, 4,111 equity shares of face value ₹ 10 each to Jacob Joseph George and 8,594 equity shares of face value ₹ 10 each to Mathew Tomy Abhishek	Allotment pursuant to scheme of amalgamation	104,002	10	N.A.	Other than cash^

Date of allotment	Nature of allotment	Name(s) of allottee(s) and details of equity shares allotted per allottee	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration
February 9, 2008	Allotment of 404,551 equity shares of face value ₹ 10 each to George L Mathew, 209,104 equity shares of face value ₹ 10 each to Sheela Joseph, 420,090 equity shares of face value ₹ 10 each to Mathew Chandy, 208,594 equity shares of face value ₹ 10 each to Mathew Antony Joseph, 204,483 equity shares of face value ₹ 10 each to Mathew George, 204,111 equity shares of face value ₹ 10 each to Jacob Joseph George, 40 equity shares of face value ₹ 10 each to Lt. Col Mohan Andrews, 15 equity shares of face value ₹ 10 each to John Joseph E, 15 equity shares of face value ₹ 10 each to Sankar Iyer, 15 equity shares of face value ₹ 10 each to Thomas Joseph, 15 equity shares of face value ₹ 10 each to W T Staney, 15 equity shares of face value ₹ 10 each to K A Abraham, 15 equity shares of face value ₹ 10 each to P Richard Ravindra Kumar, 15 equity shares of face value ₹ 10 each to S I Mohammad Shaffiullah, 15 equity shares of face value ₹ 10 each to Shaji Joseph and 15 equity shares of face value ₹ 10 each to Ramakumari Vijayan	Bonus issue in the ratio 1:1 (i.e., one equity share for each one equity share held)	1,651,108	10	N.A.	N.A.
October 30, 2008	Allotment of 269,721 equity shares of face value ₹ 10 each to George L Mathew, 139,403 equity shares of face value ₹ 10 each to Sheela Joseph, 280,060 equity shares of face value ₹ 10 each to Mathew Chandy, 139,063	Bonus issue in the ratio 1:3 (i.e., one equity share for every three equity shares held)	1,100,739	10	N.A.	N.A.

Date of allotment	Nature of allotment	Name(s) of allottee(s) and details of equity shares allotted per allottee	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration
	equity shares of face value ₹ 10 each to Mathew Antony Joseph, 136,322 equity shares of face value ₹ 10 each to Mathew George, 136,074 equity shares of face value ₹ 10 each to Jacob Joseph George, 26 equity shares of face value ₹ 10 each to Lt. Col. Mohan Andrews, 10 equity shares of face value ₹ 10 each to John Joseph, 10 equity shares of face value ₹ 10 each to Sankar Iyer, 10 equity shares of face value ₹ 10 each to Thomas Joseph, 10 equity shares of face value ₹ 10 each to W T Staney, 10 equity shares of face value ₹ 10 each to K A Abraham, 10 equity shares of face value ₹ 10 each to P Richard Ravindra Kumar and 10 equity shares of face value ₹ 10 each to Shaji Joseph					
September 25, 2025	Allotment of 59,03,028 Equity Shares of face value ₹ 1 each to Mathew Chandy, 6,313,374 Equity Shares of face value ₹ 1 each to Mathew Antony Joseph, 5,713,644 Equity Shares of ₹ 1 each to Mathew George, 5,895,996 Equity Shares of face value ₹ 1 each to Jacob Joseph George, 5,064,438 to Lighthouse India Fund III, Limited, 53,898 Equity Shares of face value ₹ 1 each to Sachin Kumar Bhartiya (in his capacity as the trustee of Lighthouse India III Employee Trust) and 6,910,338 Equity Shares of face value ₹ 1 each Norwest Capital, LLC	Bonus issue in the ratio of 3:5 (i.e., three equity shares for every five equity shares held)	35,854,716	10	N.A.	N.A.

[^] Pursuant to a scheme of amalgamation between our Company, Rubrofibre Private Limited and HSC Special Alloys Private Limited and their respective shareholders and creditors, 55 equity shares of face value ₹10 of our Company were issued to the erstwhile shareholders of Rubrofibre Private Limited for every 4 equity shares of face value ₹ 100 each held by the shareholders of Rubrofibre Private Limited in our Company and 7 equity shares of face value ₹ 10 each of our Company were allotted to the preference shareholders of Rubrofibre Private Limited for every 4 cumulative preference shares of face value of ₹ 100 each held by the shareholders of Rubrofibre Private Limited.

4. Shares issued under Sections 230 to 234 of the Companies Act, 2013 or Sections 391 to 394 of the Companies Act, 1956

Other than as set out below, our Company has not issued Equity Shares pursuant to Sections 230 to 234 of the Companies Act, 2013 or Sections 391 to 394 of the Companies Act, 1956.

Pursuant to a scheme of amalgamation between our Company, Rubrofibre Private Limited and HSC Special Alloys Private Limited and their respective shareholders and creditors, 55 equity shares of face value ₹10 of our Company were issued to the erstwhile shareholders of Rubrofibre Private Limited for every 4 equity shares of face value ₹ 100 each held by the shareholders of Rubrofibre Private Limited in our Company and 7 equity shares of face value ₹ 10 each of our Company were allotted to the preference shareholders of Rubrofibre Private Limited for every 4 cumulative preference shares of face value of ₹ 100 each held by the shareholders of Rubrofibre Private Limited.

5. Shareholding pattern of our Company

The table below presents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of sharehold er (II)	Number of sharehold ers (III)	Number of fully paid-up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlyin g depositor y receipts (VI)	Total number of shares held (VII) =(IV)+(V) + (VI)	Sharehold ing as a % of total number of shares (calculat ed as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of voting rights held in each class of securities (IX)				Number of shares underlyin g outstandi ng convertibl e securities (including warrants, ESOPs, etc.) (X)	Total number of shares on fully diluted basis (includin g warrants, ESOP, convertibl e securities , etc) (XI) =(VII+X)	Sharehold ing, as a % assuming full conversion of convertible securities (as a percentage of share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XIII)		Number of Shares pledged (XIV)		Non-Disposal Undertaking (XV)		Other encumbrances , if any (XVI)		Total number of shares encumbered (XVII) = (XIV +XV +XVI)		Number of Equity Shares held in dematerializ ed form (XVIII)
								Number of voting rights			Total as a % of (A+B + C)				Numbe r (a)	As a % of total share s held (b)	Numbe r (a)	As a % of total share s held (b)	Numbe r (a)	As a % of total share s held (b)	Numbe r (a)	As a % of total share s held (b)	Numbe r (a)	As a % of total share s held (b)	
								Class e.g.: Equit y Share s	Class e.g.: other s	Total															
(A)	Promoter and Promoter Group	4	63,536,112	-	-	63,536,112	66.45	Equity Shares	-	63,536,112	66.45	-	-	-	NA	NIL	NIL	NIL	NIL	NIL	NIL	63,536,112			
(B)	Public	3	32,076,464	-	-	32,076,464	33.55	Equity Shares	-	32,076,464	33.55	-	-	-	NA	NA	NA	NA	NA	NA	NA	32,076,464			
(C)	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
(C1)	Shares underlyin g depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
	Total	7	95,612,576	-	-	95,612,576	100%	-	-	95,612,576	100%	-	-	-	-	-	-	-	-	-	-	95,612,576			

6. Details of equity shareholding of the major shareholders of our Company:

- a) Set forth below is a list of shareholders holding 1% or more of the issued and paid-up Equity Share capital of our Company, as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Number of Equity Shares on a fully diluted basis [^]	Percentage of the pre- Offer Equity Share capital (%)	Percentage of the pre- Offer Equity Share capital on a fully diluted basis (%) [^]
1.	Norwest Capital, LLC	18,427,568	18,427,568	19.27	19.17
2.	Mathew Antony Joseph	16,835,664	16,835,664	17.61	17.51
3.	Mathew Chandy	15,741,408	15,741,408	16.46	16.38
4.	Jacob Joseph George	15,722,656	15,722,656	16.44	16.36
5.	Mathew George	15,236,384	15,236,384	15.94	15.85
6.	Lighthouse India Fund III, Limited	13,505,168	13,505,168	14.12	14.05

[^] The percentage of the equity share capital on a fully diluted basis has been calculated on the basis of total Equity Shares held and such number of Equity Shares which will result upon conversion of vested options under the ESOP Schemes.

- b) Set forth below is a list of shareholders holding 1% or more of the issued and paid-up Equity Share capital of our Company, as of 10 days prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Number of Equity Shares on a fully diluted basis [^]	Percentage of the pre- Offer Equity Share capital (%)	Percentage of the pre- Offer Equity Share capital on a fully diluted basis (%) [^]
1.	Norwest Capital, LLC	18,427,568	18,427,568	19.27	19.17
2.	Mathew Antony Joseph	16,835,664	16,835,664	17.61	17.51
3.	Mathew Chandy	15,741,408	15,741,408	16.46	16.38
4.	Jacob Joseph George	15,722,656	15,722,656	16.44	16.36
5.	Mathew George	15,236,384	15,236,384	15.94	15.85
6.	Lighthouse India Fund III, Limited	13,505,168	13,505,168	14.12	14.05

[^] The percentage of the equity share capital on a fully diluted basis has been calculated on the basis of total Equity Shares held and such number of Equity Shares which will result upon conversion of vested options under the ESOP Schemes.

- c) Set forth below is a list of shareholders holding 1% or more of the issued and paid-up Equity Share capital of our Company, as of one year prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Number of Equity Shares on a fully diluted basis [^]	Percentage of the pre- Offer Equity Share capital (%)	Percentage of the pre- Offer Equity Share capital on a fully diluted basis (%) [^]
1.	Norwest Capital, LLC	1,151,723	1,151,723	19.27	19.25
2.	Mathew Antony Joseph	1,042,229	1,042,229	17.44	17.42
3.	Mathew Chandy	973,838	973,838	16.30	16.27
4.	Jacob Joseph George	972,666	972,666	16.28	16.26
5.	Mathew George	942,274	942,274	15.77	15.75
6.	Lighthouse India Fund III, Limited	844,073	844,073	14.12	14.11

[^] The percentage of the equity share capital on a fully diluted basis has been calculated on the basis of total Equity Shares held and such number of Equity Shares which will result upon conversion of vested options under the ESOP Schemes.

Note: The Board, in their meeting held on September 8, 2025, considered and approved the transfer of 400,000 Equity Shares of face value ₹1 each, held by Coco-Latex Exports Private Limited, pursuant to the share transfer agreement dated July 15, 2025. The shares are being transferred in equal proportion of 100,000 Equity Shares of face value ₹1 each to Jacob Joseph George, Mathew Chandy, Mathew Antony Joseph and Mathew George.

- d) Set forth below is a list of shareholders holding 1% or more of the issued and paid-up Equity Share capital of our Company, as of two years prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Number of Equity Shares on a fully diluted basis [^]	Percentage of the pre- Offer Equity Share capital (%)	Percentage of the pre- Offer Equity Share capital on a fully diluted basis (%) [^]
1.	Norwest Capital, LLC	1,151,723	1,151,723	19.27	19.24
2.	Mathew Antony Joseph	1,042,229	1,042,229	17.44	17.41
3.	Mathew Chandy	973,838	973,838	16.30	16.27
4.	Jacob Joseph George	972,666	972,666	16.28	16.25
5.	Mathew George	942,274	942,274	15.77	15.74
6.	Lighthouse India Fund III, Limited	844,073	844,073	14.12	14.10

[^] The percentage of the equity share capital on a fully diluted basis has been calculated on the basis of total Equity Shares held and such number of Equity Shares which will result upon conversion of vested options under the ESOP Schemes.

Note: The Board, in their meeting held on September 8, 2025, considered and approved the transfer of 400,000 Equity Shares of face value ₹1 each, held by Coco-Latex Exports Private Limited, pursuant to the share transfer agreement dated July 15, 2025. The shares are being transferred in equal proportion of 100,000 Equity Shares of face value ₹1 each to Jacob Joseph George, Mathew Chandy, Mathew Antony Joseph and Mathew George.

7. History of the equity share capital held by our Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters hold 63,536,112 Equity Shares of face value of ₹1 each, representing 66.45% of the issued, subscribed and paid-up Equity Share capital of our Company.

a) Build-up of the shareholding of our Promoters in our Company

The build-up of the equity shareholding of our Promoters since incorporation of our Company is set forth below:

Date of allotment/ transfer/ board resolution	Nature of transaction	Number of Equity Shares allotted/ transferred	Nature of consideration	Face value per Equity Share (₹)	Issue price/ transfer price per Equity Share (₹)	Percentage of the pre- Offer Equity Share capital (%)	Percentage of the post- Offer Equity Share capital (%)
Jacob Joseph George							
September 28, 1995	Allotment pursuant to amalgamation	4,111	Other than cash*	10	N.A.	0.04	[●]
January 14, 2008 ^s	Transfer from George L Mathew by way of gift	200,000	Gift	10	N.A.	2.09	[●]
February 09, 2008	Bonus issue in the ratio of 1:1 (i.e., one equity share for every one equity share held)	204,111	N.A.	10	N.A.	2.13	[●]
October 30, 2008	Bonus issue in the ratio of 1:3 (i.e., one equity share for every three equity shares held)	136,074	N.A.	10	N.A.	1.42	[●]
January 12, 2009 [@]	Transfer to Mathew Joseph Moozhayil	(6,250)	Cash	10	100.00	(0.07)	[●]
June 4, 2013	Transfer from Mohan V Andrews	106	Cash	10	10	(0.00)	[●]
June 4, 2013	Transfer from Shaji Joseph	40	Cash	10	10	(0.00)	[●]
September 30, 2017 ^s	Transfer to Mallu George by way of gift	(134,548)	Gift	10	N.A.	(1.41)	[●]
January 18, 2018	Transfer from Mathew M Mathew	25,000	Cash	10	314.40	0.26	[●]
January 18, 2018	Transfer from Lawrence J Kodiyanplackal	25,000	Cash	10	314.40	0.26	[●]
February 9, 2018	Transfer from Mathew Joseph Moozhiyil	6,500	Cash	10	314.00	0.07	[●]
November 2, 2018	Transfer to Lighthouse India Fund III, Limited	(54,859)	Cash	10	1,267.27	(0.57)	[●]
November 2, 2018	Transfer to Sachin Kumar Bhartiya (in his capacity as a trustee of Lighthouse India III Employee Trust)	(584)	Cash	10	1,267.27	(0.01)	[●]

Date of allotment/ transfer/ board resolution	Nature of transaction	Number of Equity Shares allotted/ transferred	Nature of consideration	Face value per Equity Share (₹)	Issue price/ transfer price per Equity Share (₹)	Percentage of the pre- Offer Equity Share capital (%)	Percentage of the post- Offer Equity Share capital (%)
November 20, 2020	Transfer from George L Mathew by way of gift	104,377	Gift	10	N.A.	1.09	[●]
November 20, 2020	Transfer from Mallu George by way of gift	489,448	Gift	10	N.A.	5.12	[●]
October 14, 2021	Transfer to Norwest Capital, LLC	(23,829)	Cash	10	3,907.19	(0.25)	[●]
December 21, 2021	Transfer to Norwest Capital, LLC	(2,031)	Cash	10	3,907.19	(0.02)	[●]
Pursuant to a shareholders resolution dated October 23, 2024, each equity share of our Company of face value of ₹10 was split into ten equity shares of face value of ₹1 each. Accordingly, the shareholding of Jacob Joseph George changed from 972,666 equity shares bearing face value of ₹10 each to 9,726,660 Equity Shares bearing face value of ₹1 each.							
September 8, 2025	Transfer from Coco-Latex Exports Private Limited	100,000	Cash	1	72	0.10	[●]
September 25, 2025	Bonus issue in the ratio of 3:5 (i.e., three equity shares for every five equity shares held)	5,895,996	N.A.	1	N.A.	6.17	[●]
Sub Total (A)		15,722,656				16.44	[●]
Mathew Chandy							
September 28, 1995	Allotment pursuant to scheme of amalgamation	8,594	Other than cash*	10	N.A.	0.09	[●]
January 2008 ^{S@}	Transfer from Annie Chandy Mathew by way of gift	200,000	Gift	10	N.A.	2.09	[●]
February 2, 2008 ^{^S}	Transfer from Annie Chandy Mathew by way of gift	211,496	Gift	10	N.A.	2.21	[●]
February 9, 2008	Bonus issue in the ratio of 1:1 (i.e., one equity share for every one equity shares held)	420,090	N.A.	10	N.A.	4.39	[●]
October 30, 2008	Bonus issue in the ratio of 1:3 (i.e., one equity share for every three equity shares held)	280,060	N.A.	10	N.A.	2.93	[●]
January 12, 2009	Transfer to Mathew Joseph Moozhayil	(12,500)	Cash	10	100	(0.13)	[●]
September 30, 2017 ^S	Transfer to Annie Chandy Mathew by way of gift	(775,418)	Gift	10	N.A.	(8.11)	[●]
January 18, 2018	Transfer from Lawrence J Kodiyanplackal	100,000	Cash	10	314.25	1.05	[●]
February 9, 2018	Transfer from Mathew Joseph Moozhiyil	17,000	Cash	10	314.29	0.18	[●]
November 2, 2018	Transfer to Lighthouse India Fund III, Limited	(74,363)	Cash	10	1,267.27	(0.78)	[●]
November 2, 2018	Transfer to Sachin Kumar Bhartiya (in his capacity as a trustee of Lighthouse India III Employee Trust)	(791)	Cash	10	1,267.27	(0.01)	[●]
November 20, 2020 ^S	Transfer from Annie Chandy Mathew by way of gift	702,578	Gift	10	N.A.	7.35	[●]
October 14, 2021	Transfer to Norwest Capital, LLC	(47,657)	Cash	10	3,907.19	(0.50)	[●]
November 30, 2021	Transfer to Miriam Chandy by way of Gift	(51,188)	Gift	10	N.A.	(0.54)	[●]
December 21, 2021	Transfer to Norwest Capital, LLC	(4,063)	Cash	10	3,907.19	(0.04)	[●]
Pursuant to a board and shareholders resolution dated October 23, 2024, each equity share of our Company of face value of ₹10 was split into ten equity shares of face value of ₹1 each. Accordingly, the shareholding of Mathew Chandy changed from 973,838 equity shares bearing face value of ₹10 each to 9,738,380 Equity Shares bearing face value of ₹1 each.							
September 8, 2025	Transfer from Coco-Latex Exports Private Limited	100,000	Cash	1	72	0.10	[●]

Date of allotment/ transfer/ board resolution	Nature of transaction	Number of Equity Shares allotted/ transferred	Nature of consideration	Face value per Equity Share (₹)	Issue price/ transfer price per Equity Share (₹)	Percentage of the pre- Offer Equity Share capital (%)	Percentage of the post- Offer Equity Share capital (%)
September 25, 2025	Bonus issue in the ratio of 3:5 (i.e., three equity shares for every five equity shares held	5,903,028	N.A.	1	N.A.	6.17	[●]
Sub Total (B)		15,741,408				16.46	[●]
Mathew George							
September 28, 1995	Allotment pursuant to scheme of amalgamation	4,483	Other than cash*	10	N.A.	0.05	[●]
January 14, 2008 ^{S@}	Transfer from Mr. George L Mathew by way of gift	200,000	Gift	10	N.A.	2.09	[●]
February 09, 2008	Bonus issue in the ratio of 1:1	204,483	N.A.	10	N.A.	2.14	[●]
October 30, 2008	Bonus issue in the ratio of 1:3	136,322	N.A.	10	N.A.	1.43	[●]
January 12, 2009	Transfer to Mathew Joseph Moozhayil	(6,250)	Cash	10	100.00	(0.07)	[●]
September 30, 2017 ^S	Transfer to Mallu George by way of gift	(134,760)	Gift	10	N.A.	(1.41)	[●]
January 18, 2018	Transfer from Mathew M Mathew	50,000	Cash	10	314.30	0.52	[●]
February 09, 2018	Transfer from Mathew Joseph Moozhayil	6,500	Cash	10	314.00	0.07	[●]
November 2, 2018	Transfer to Lighthouse India Fund III, Limited	(54,854)	Cash	10	1,267.27	(0.57)	[●]
November 2, 2018	Transfer to Sachin Kumar Bhartiya (in his capacity as a trustee of Lighthouse India III Employee Trust)	(584)	Cash	10	1,267.27	(0.01)	[●]
November 20, 2020	Transfer by George L Mathew by way of gift	104,378	Gift	10	N.A.	1.09	[●]
November 20, 2020	Transfer by Mallu George by way of gift	489,448	Gift	10	N.A.	5.12	[●]
October 14, 2021	Transfer to Norwest Capital, LLC	(52,423)	Cash	10	3,907.19	(0.55)	[●]
December 21, 2021	Transfer to Norwest Capital, LLC	(4,469)	Cash	10	3,907.19	(0.05)	[●]
Pursuant to a board and shareholders resolution dated October 23, 2024, each equity share of our Company of face value of ₹10 was split into ten equity shares of face value of ₹1 each. Accordingly, the shareholding of Mathew George changed from 942,274 Shares bearing face value of ₹10 each to 9,422,740 Equity Shares bearing face value of ₹1 each.							
September 8, 2025	Transfer from Coco-Latex Exports Private Limited	100,000	Cash	1	72	0.10	[●]
September 25, 2025	Bonus issue in the ratio of 3:5 (i.e., three equity shares for every five equity shares held	5,713,644	N.A.	1	N.A.	5.98	[●]
Sub Total (C)		15,236,384				15.94	[●]
Mathew Antony Joseph							
September 28, 1995	Allotment pursuant to scheme of amalgamation	8,594	Other than cash*	10	N.A.	0.09	[●]
January 14, 2008 ^{S@}	Transfer from Sheela Joseph by way of gift	200,000	Gift	10	N.A.	2.09	[●]
February 9, 2008	Bonus issue in the ratio of 1:1	208,594	N.A.	10	N.A.	2.18	[●]
October 30, 2008	Bonus issue in the ratio of 1:3	139,063	N.A.	10	N.A.	1.45	[●]
January 12, 2009	Transfer to Mathew Joseph Moozhayil	(6,250)	Cash	10	100.00	(0.07)	[●]
September 30, 2017 ^S	Transfer to Sheela Joseph by way of gift	(220,000)	Gift	10	N.A.	(2.30)	[●]
January 18, 2018	Transfer from Lawrence J Kodiyanplackal	50,000	Cash	10	314.30	0.52	[●]
February 9, 2018	Transfer from Mathew Joseph Moozhayil	67,500	Cash	10	314.07	0.71	[●]

Date of allotment/ transfer/ board resolution	Nature of transaction	Number of Equity Shares allotted/ transferred	Nature of consideration	Face value per Equity Share (₹)	Issue price/ transfer price per Equity Share (₹)	Percentage of the pre- Offer Equity Share capital (%)	Percentage of the post- Offer Equity Share capital (%)
November 2, 2018	Transfer to Lighthouse India Fund III, Limited	(74,555)	Cash	10	1,267.27	(0.78)	[●]
November 2, 2018	Transfer to Sachin Kumar Bhartiya (in his capacity as a trustee of Lighthouse India III Employee Trust)	(793)	Cash	10	1,267.27	(0.01)	[●]
November 20, 2020	Transfer by Sheela Joseph by way of gift	698,521	Gift	10	N.A.	7.31	[●]
October 14, 2021	Transfer to Norwest Capital, LLC	(26,211)	Cash	10	3,907.19	(0.27)	[●]
December 21, 2021	Transfer to Norwest Capital, LLC	(2,234)	Cash	10	3,907.19	(0.02)	[●]
Pursuant to a board and shareholders resolution dated October 23, 2024, each equity share of our Company of face value of ₹10 was split into ten equity shares of face value of ₹1 each. Accordingly, the shareholding of Mathew Antony Joseph changed from 1,042,229 equity shares bearing face value of ₹10 each to 10,422,290 Equity Shares bearing face value of ₹1 each.							
September 8, 2025	Transfer from Coco-Latex Exports Private Limited	100,000	Cash	1	72	0.10	[●]
September 25, 2025	Bonus issue in the ratio of 3:5 (i.e., three equity shares for every five equity shares held	6,313,374	N.A.	1	N.A.	6.60	[●]
Sub Total (D)		16,835,664				17.61	[●]
Total (A+B+C+D)		63,536,112				66.45	[●]

* Pursuant to a scheme of amalgamation between our Company, Rubrofibre Private Limited and HSC Special Alloys Private Limited and their respective shareholders and creditors, 55 equity shares of face value ₹10 of our Company were issued to the erstwhile shareholders of Rubrofibre Private Limited for every 4 equity shares of face value ₹ 100 each held by the shareholders of Rubrofibre Private Limited in our Company and 7 equity shares of face value ₹ 10 each of our Company were allotted to the preference shareholders of Rubrofibre Private Limited for every 4 cumulative preference shares of face value of ₹ 100 each held by the shareholders of Rubrofibre Private Limited.

^s The gift deed executed between the transferor and the transferee is signed but is not duly stamped. For further details, see “Risk Factors – Some of our gift deeds in relation to share transfers between our Promoters and members of our Promoter Group and certain of our share transfer forms are not duly stamped and may not be admissible as evidence in any Indian court or may attract a penalty in this regard” on page 52.

[@] The Form-7B filed in relation to this transfer of equity shares is not stamped. For further details, see “Risk Factors – Some of our gift deeds in relation to share transfers between our Promoters and members of our Promoter Group and certain of our share transfer forms are not duly stamped and may not be admissible as evidence in any Indian court or may attract a penalty in this regard” on page 52.

[^] The Form -7B with filed in relation to this transfer of equity shares is not available. Our Company has commissioned an extensive search of its records with the RoC, both physically and on the MCA portal, and in this regard has obtained and relied on a search report dated October 14, 2025, issued by an independent practicing company secretary, HVS & Associates, Company Secretaries. Further, we have also sent an intimation through our letter dated October 14, 2025, to the RoC informing them of the missing RoC filings, including Form 2 with respect to such allotments. In relation to these missing corporate records, we have included the details based on register of members and the CTC of the board meetings, where relevant and information available to our Company. For further details, see “Risk Factors – We are unable to trace some of our historical records including forms filed with the RoC. There is no assurance that regulatory proceedings or actions will not be initiated against us in the future and that we will not be subject to any penalty imposed by the competent regulatory authority in this regard” on page 52.

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment/ acquisition of such Equity Shares and are in dematerialised form.

b) **Shareholding of our Promoters and Promoter Group**

Except as disclosed below, our Promoters and members of our Promoter Group do not hold any shares in our Company as on the date of this Draft Red Herring Prospectus:

Name of Shareholder	Pre-Offer equity share capital on a fully diluted basis		Post-Offer equity share capital on a fully diluted basis	
	Number of Equity Shares of face value ₹1 each	% of total shareholding	Number of Equity Shares of face value of ₹1 each	% of total shareholding
Promoters				
Jacob Joseph George	15,722,656	16.36	[●]	[●]
Mathew Chandy	15,741,408	16.38	[●]	[●]
Mathew George	15,236,384	15.85	[●]	[●]

Mathew Antony Joseph	16,835,664	17.51	[●]	[●]
Total	63,536,112	66.10	[●]	[●]
Promoter Group				
Nil				

Further, as on date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters and members of our Promoter Group are pledged or otherwise encumbered.

8. Details of Promoter's Contribution and lock-in

- a) In accordance with Regulation 14 and Regulation 16(1) of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters, shall be locked in for a period of 18 months, or such other period as prescribed under the SEBI ICDR Regulations, as minimum promoters' contribution from the date of Allotment ("**Promoters' Contribution**"), and our Promoters' shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of six months from the date of Allotment.
- b) The details of the Equity Shares to be locked-in for a period of 18 months, or such other period as prescribed under the SEBI ICDR Regulations from the date of Allotment as Promoters' Contribution are set forth in the table below:

Name of Promoter	Number of Equity Shares locked-in ⁽¹⁾⁽²⁾	Date of allotment/transfer of Equity Shares	Nature of transaction	Face value per Equity Share (₹)	Issue/acquisition price per Equity Share (₹)	Percentage of pre-Offer paid-up Equity Share capital [^]	Percentage of post-Offer paid-up Equity Share capital*	Date up to which the Equity Shares are subject to lock in
Jacob Joseph George	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Mathew Chandy	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Mathew George	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Mathew Antony Joseph	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

* Subject to finalisation of the Basis of Allotment.

[^] Assuming exercise of vested options under ESOP Schemes.

(1) For a period of 18 months from the date of Allotment.

(2) All Equity Shares were fully paid-up at the time of allotment/acquisition.

Our Promoters have given their consent to include such number of Equity Shares held by them as disclosed above, constituting 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

- c) Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. For details of the build-up of the share capital held by our Promoters, see "*History of the Equity Share capital held by our Promoters*" on page 103.

In this connection, we confirm that the Equity Shares considered as Promoters' Contribution:

- have not been acquired during the immediately preceding three years from the date of this Draft Red Herring Prospectus for consideration other than cash and any revaluation of assets or capitalisation of intangible assets was not involved in such transactions;
- did not result from a bonus issue during the immediately preceding three years from the date of this Draft Red Herring Prospectus, by utilisation of revaluation reserves or unrealised profits of our Company, or from bonus issue against Equity Shares which are otherwise ineligible for Promoters' Contribution;

- (iii) has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm;
- (iv) are not acquired or subscribed to during the immediately preceding year from the date of this Draft Red Herring Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Offer; and
- (v) are not subject to any pledge or any other encumbrance.

9. Details of Equity Shares locked-in for six months:

In terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre-Offer equity share capital of our Company held by persons other than our Promoters will be locked-in for a period of six months from the date of Allotment or any other period as may be prescribed under applicable law, except for (i) the Equity Shares transferred pursuant to the Offer for Sale; and (ii) the Equity Shares held by Shareholders who are VCFs, Category I AIFs, Category II AIFs or FVCIs, provided that such Equity Shares will be locked-in for a period of at least six months from the date of purchase by such VCFs or Category I AIFs or Category II AIFs or FVCI Shareholders respectively, subject to the provisions of Regulation 8A(c) of the SEBI ICDR Regulations. Provided that for the purposes of (ii) above, if the Equity Shares have been allotted pursuant to a bonus issue, then the holding period of such Equity Shares against which the bonus issue is made as well as the holding period of the resultant bonus Equity Shares together shall be considered for the purposes of calculation of the six months period.

10. Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors

50% of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

11. Details of Equity Shares held by our Directors, Key Managerial Personnel, and Senior Management

Except as stated below, none of our Directors, Key Managerial Personnel or Senior Management hold any Equity Shares or employee stock options in our Company:

Sr. No.	Name	Number of Equity Shares	Number of vested employee stock options	Number of unvested employee stock options	Percentage of the pre- Offer Equity Share capital on a fully diluted basis (%) [*]	Percentage of the post- Offer Equity Share capital (%)
Directors						
1.	Jacob Joseph George	15,722,656	Nil	Nil	16.36	[●]
2.	Mathew Chandy	15,741,408	Nil	Nil	16.38	[●]
3.	Mathew George	15,236,384	Nil	Nil	15.85	[●]
4.	Mathew Antony Joseph	16,835,664	Nil	Nil	17.51	[●]
Total (A)		63,536,112	Nil	Nil	66.10	[●]
Key Managerial Personnel and Senior Management						
1.	Rajat Rastogi	Nil	56,000	40,000	0.06	[●]
2.	Sridhar Balakrishnan	Nil	220,000	660,000	0.23	[●]
3.	Solly Mathew	Nil	-	5,600	Negligible	[●]
4.	Mathew Thomas	Nil	40,000	40,000	0.04	[●]
5.	Sudhanshu Krishna	Nil	14,000	42,000	0.01	[●]
6.	Girish Appu	Nil	24,000	136,000	0.02	[●]
7.	Ullas Vijay	Nil	14,000	42,000	0.01	[●]
8.	Anup Vijay Daware	Nil	14,000	42,000	0.01	[●]
Total (B)		Nil	382,000	1,007,600	0.40	[●]
Total (A+B)		63,536,112	382,000	1,007,600	66.49	[●]

^{*} Assuming exercise of vested options under ESOP Schemes.

For further details, see “Our Management” on page 243.

12. Other requirements

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

Pursuant to Regulation 21(a) of the SEBI ICDR Regulations, the Equity Shares held by our Promoters, which are locked-in for a period of 18 months from the date of Allotment may be pledged as collateral security for loans granted by scheduled commercial banks, public financial institutions, NBFC-SI or housing finance companies, provided that such loans have been granted by such bank or institution for the purpose of financing one or more of the objects of the Offer and pledge of the Equity Shares is a term of sanction of such loans.

Pursuant to Regulation 21(b) of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked-in for a period of six months from the date of Allotment may be pledged as collateral security for loans granted by scheduled commercial banks, public financial institutions, NBFC-SI or housing finance companies, provided that pledge of the Equity Shares is one of the terms of sanction of such loans.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in as per Regulation(16)(1) of the SEBI ICDR Regulations, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with provisions of the SEBI Takeover Regulations.

Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons (other than our Promoters) prior to the Offer and locked-in for a period of six months, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in with the transferee for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the provisions of the SEBI Takeover Regulations.

13. Except for the allotment of Equity Shares upon exercise of options vested pursuant to the ESOP Schemes, the Pre-IPO Placement and the Fresh Issue, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/ Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or otherwise.
14. Except for the allotment of Equity Shares pursuant to exercise of options granted under the ESOP Schemes, the Pre-IPO Placement and allotment of Equity Shares pursuant to the Fresh Issue, there will be no further issue of Equity Shares whether by way of issue of bonus shares, rights issue, preferential issue or any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus until the listing of the Equity Shares on the Stock Exchanges or all application monies have been refunded, as the case may be.
15. As on the date of filing of this Draft Red Herring Prospectus, the total number of Shareholders of our Company is 7.
16. As on the date of this Draft Red Herring Prospectus, all Equity Shares held by our Shareholders are held in dematerialized form.
17. Except as disclosed under “Notes to the Capital Structure – Share capital history of our Company – Equity share capital” and “ – History of the equity share capital held by our Promoters” on pages 86 and 103, respectively, none of our Promoters, the members of our Promoter Group or any of the Directors or their relatives, as applicable, have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.
18. There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors or any of their relatives, have financed the purchase by any other person of securities of our Company, other than the normal course of business, during a period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.
19. Except as disclosed under “Notes to the Capital the Structure – Share capital history of our Company” on page 86, our Company, any of our Directors and the BRLMs have not entered into any buy back arrangements for purchase of Equity

Shares from any person or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

20. All issuances of Equity Shares by our Company from the date of incorporation of our Company till the date of filing of this Draft Red Herring Prospectus have been made in compliance with Companies Act 2013. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.
21. Our Promoters and members of the Promoter Group shall not participate in the Offer, except by way of participation as Selling Shareholders, as applicable, in the Offer for Sale.
22. As on the date of this Draft Red Herring Prospectus, the BRLMs and their respective associates (as defined in the SEBI Merchant Bankers Regulations) do not hold any Equity Shares of our Company. The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company and its respective directors and officers, partners, trustees, affiliates, associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and each of its respective directors and officers, partners, trustees, affiliates, associates or third parties, for which they have received, and may in the future receive, compensation.
23. No person connected with the Offer shall offer of any incentive, whether direct or indirect, in any manner, whether in cash or kind or otherwise, to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer, in any manner, whether in cash or kind or services or otherwise, to any Bidder for making a Bid.
24. Except for the employee stock options issued pursuant to the ESOP Schemes, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares as on the date of this Draft Red Herring Prospectus.
25. All transactions in Equity Shares by our Promoters and members of our Promoter Group and the Pre-IPO Placement between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.
26. We confirm that the Book Running Lead Managers are not associates of our Company or the Selling Shareholders as per Regulation 21A of the SEBI Merchant Bankers Regulations.
27. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
28. **ESOP Schemes of our Company**

ESOP 2019

Our Company, pursuant to the resolutions passed by our Board on June 18, 2019 and our Shareholders on June 19, 2019, adopted the Duroflex Employee Share Option Scheme 2019 (“**ESOP 2019**”). The ESOP 2019 was last amended by resolutions of our Board and Shareholders each dated October 11, 2025, respectively. The purpose of ESOP 2019 is to provide means to enable our Company to attract, retain and reward human talent. The ESOP 2019 is in compliance with the SEBI SBEB & SE Regulations. As on the date of this Draft Red Herring Prospectus, under ESOP 2019, an aggregate of 102,400 options have been granted, an aggregate of 102,400 options have been vested and no options have been exercised.

As on the date of this Draft Red Herring Prospectus, our Company has not made any allotments under the ESOP 2019 and all grants made under the ESOP 2019 are to employees of our Company. All grants of options under the ESOP 2019 are in compliance with the Companies Act, 2013.

The details of ESOP 2019, as certified by P K Shah and Co., by way of their certificate dated October 15, 2025 are as follows:

Particulars	As of and for the Financial Year ended March 31, 2023	As of and for the Financial Year ended March 31, 2024	As of and for the Financial Year ended March 31, 2025	From April 1, 2025, till the date of this Draft Red Herring Prospectus
Total options outstanding (including vested and unvested)	308,160	182,400	102,400	102,400

Particulars	As of and for the Financial Year ended March 31, 2023	As of and for the Financial Year ended March 31, 2024	As of and for the Financial Year ended March 31, 2025	From April 1, 2025, till the date of this Draft Red Herring Prospectus
options) as at the beginning of the period**				
Options granted**	-	-	-	-
Options vested (excluding options that have been exercised)**	56,000	74,400	102,400	102,400
Options exercised	-	-	-	-
Options forfeited/lapsed/cancelled**	125,760	80,000	-	-
Options outstanding (total of vested and unvested options)**	182,400	102,400	102,400	102,400
Exercise price of options (in Re.)	1.00	1.00	1.00	1.00
The total number of Equity Shares that would arise as a result of full exercise of granted options	182,400	102,400	102,400	102,400
Variation in terms of options **	N.A.			
Money realized by exercise of options	-	-	-	-
Total no. of options in force (total of vested and unvested options)	182,400	102,400	102,400	102,400
Employee wise details of options granted to**				
(i) Key Managerial Personnel	Nil	Nil	Nil	Nil
(ii) Senior managerial personnel				
(iii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Nil	Nil	Nil	Nil
(iv) Identified employees who are granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Nil	Nil	Nil	Nil
Fully diluted EPS on a pre-Offer basis on exercise of options calculated in accordance with the applicable accounting standard on 'Earning Per Share'	(1.62)	1.17	4.93	0.59
Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognized if our Company had used fair value of options and impact of this difference on profits and EPS of Company.	N.A.			
Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option	N.A.			

Particulars	As of and for the Financial Year ended March 31, 2023	As of and for the Financial Year ended March 31, 2024	As of and for the Financial Year ended March 31, 2025	From April 1, 2025, till the date of this Draft Red Herring Prospectus
Impact on profits and EPS of the last three years if our Company had followed the accounting policies specified in Regulation 15 of the SEBI ESOP Regulations in respect of options granted in the last three years				N.A.
Intention of the key managerial personnel, senior management, and whole-time directors who are holders of equity shares allotted on exercise of options granted, to sell their Equity Shares within three months after the date of listing of Equity Shares pursuant to the Offer, if any whether the equity shares arise out of options exercised before or after the Offer				N.A.
Intention to sell Equity Shares arising out of, or allotted under an employee stock option scheme within three months after the date of listing of Equity Shares, by Directors, key managerial personnel, senior management and employees having Equity Shares arising out of an employee stock option scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) which inter-alia shall include name, designation and quantum of the equity shares issued under an employee stock option scheme or employee stock purchase scheme and the quantum they intend to sell within three months				N.A.

(a) Pursuant to the resolution passed by the Shareholders of our Company at the extra-ordinary general meeting held on October 23, 2024, our Company has sub-divided its equity share of face value ₹ 10 each fully paid-up, into 10 Equity Shares of face value ₹ 1 each fully paid-up, effective from October 23, 2024.

(b) The Board at its meeting held on September 8, 2025, has recommended the bonus issue of equity shares in the ratio of 3:5 i.e., 3 equity shares will be issued for every 5 existing fully paid-up equity share held by the Shareholder, which was further approved by the Shareholders by means of a special resolution in their extra-ordinary general meeting dated September 25, 2025. The record date for the bonus share is September 23, 2025.

(c) The effect of sub-division and bonus as mentioned above is adjusted for the purpose of computing options for all the periods presented retrospectively.

ESOP 2023

Our Company, pursuant to the resolutions passed by our Board and Shareholders, each dated February 16, 2023, adopted the Duroflex ESOP 2023 Plan 1 and Duroflex ESOP 2023 Plan 2. Subsequently, pursuant to resolutions passed by our Board and Shareholders, each dated October 11, 2025, our Company has amalgamated Duroflex ESOP 2023 Plan 1 and Duroflex ESOP 2023 Plan 2 into one scheme, i.e., Duroflex Employee Stock Option Scheme 2023 (“**ESOP 2023**”). The purpose of ESOP 2023 is to attract, retain, motivate and reward its eligible employees for their performance and to motivate them to contribute to the growth and profitability of our Company. The ESOP 2023 is in compliance with the SEBI SBEB & SE Regulations. As on the date of this Draft Red Herring Prospectus, under ESOP 2023, an aggregate of 1,608,000 have been granted, an aggregate of 410,000 options has been vested and no options have been exercised.

As on the date of this Draft Red Herring Prospectus, our Company has not made any allotments under the ESOP 2023 and all grants made under the ESOP 2023 are to employees of our Company. All grants of options under the ESOP 2023 are in compliance with the Companies Act, 2013.

The details of the ESOP 2023, as certified by P K Shah and Co., by way of their certificate dated October 15, 2025 are as follows:

Particulars	As of and for the Financial Year ended March 31, 2023	As of and for the Financial Year ended March 31, 2024	As of and for the Financial Year ended March 31, 2025	From April 1, 2025, till the date of this Draft Red Herring Prospectus
Total options outstanding (including vested and unvested options) as at the beginning of the period**	-	1,020,000	1,316,000	1,588,800
Options granted**	1,020,000	448,000	800,000	44,000
Options vested (excluding options that have been exercised)**	-	24,000	128,000	410,000
Options exercised	-	-	-	-
Options forfeited/lapsed/cancelled**	-	152,000	527,200	24,800
Options outstanding (total of vested and unvested options)**	1,020,000	1,316,000	1,588,800	1,608,000
Exercise price of options (in Re.)	250	250	250	250
The total number of Equity Shares that would arise as a result of full exercise of granted options	1,020,000	1,316,000	1,588,800	1,608,000
Variation in terms of options **	N.A.			
Money realized by exercise of options	-	-	-	-
Total no. of options in force (total of vested and unvested options)	1,020,000	1,316,000	1,588,800	1,608,000
Employee wise details of options granted to:**				
(i) Key Managerial Personnel	Total number of options granted			
Sridhar Balakrishnan	-	320,000	560,000	-
Rajat Rastogi	96,000	32,000	-	-
Solly Mathew	8,000	-	-	-
(ii) Senior managerial personnel	Total number of options			
Mathew Thomas	160,000	-	-	-
Sudhanshu Krishna	-	-	56,000	-
Girish Appu	-	96,000	32,000	32,000
Ullas Vijay	-	-	56,000	-
Anup Daware	-	-	56,000	-
(iii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Total number of options granted			
Mohanraj Jagannivasan	160,000	-	-	-
Sumanta Mitra	-	-	-	12,000
(iv) Identified employees who are granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	-	-	-	-
Fully diluted EPS on a pre-Offer basis on exercise of options calculated in accordance with the applicable accounting standard on 'Earning Per Share'	(1.62)	1.17	4.93	N.A.
Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if our Company	Not applicable. As per the valuation report, the fair value has been computed as per the "Monte carlo simulation method" under Duroflex ESOP 2023 Plan 1 for the options granted during the Financial Years ended March 31, 2023, March 31, 2024 and March 31, 2025 and "Black scholes option pricing model" under Duroflex			N.A.

Particulars	As of and for the Financial Year ended March 31, 2023	As of and for the Financial Year ended March 31, 2024	As of and for the Financial Year ended March 31, 2025	From April 1, 2025, till the date of this Draft Red Herring Prospectus
had used fair value of options and impact of this difference on profits and EPS of our Company for the last three fiscals	ESOP 2023 Plan 2 for the options granted during the Financial Year ended March 31, 2023			
Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option	Refer note (a)			
Impact on profits and EPS of the last three years if our Company had followed the accounting policies specified in Regulation 15 of the SEBI ESOP Regulations in respect of options granted in the last three years	N.A.			
Intention of the key managerial personnel, senior management, and whole-time directors who are holders of equity shares allotted on exercise of options granted, to sell their Equity Shares within three months after the date of listing of Equity Shares pursuant to the Offer, if any whether the equity shares arise out of options exercised before or after the Offer	N.A.			
Intention to sell Equity Shares arising out of, or allotted under an employee stock option scheme within three months after the date of listing of Equity Shares, by Directors, key managerial personnel, senior management and employees having Equity Shares arising out of an employee stock option scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) which inter-alia shall include name, designation and quantum of the equity shares issued under an employee stock option scheme or employee stock purchase scheme and the quantum they intend to sell within three months	N.A.			

Note (a)

Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option:

Particulars	March 31, 2023		March 31, 2024	March 31, 2025
	Duroflex ESOP 2023 Plan 1	Duroflex ESOP 2023 Plan 2	Duroflex ESOP 2023 Plan 1	Duroflex ESOP 2023 Plan 2
<i>Weighted average expected life of option (years)</i>	3 years	3 years	3 years	3 years
<i>Fair value at the grant date **</i>	62.63	88.94	49.25	40.00
<i>Share price at the grant date **</i>	259.50	250.69	217.00	217.63
<i>Expected volatility (%)</i>	35.00%	35.00%	40.00%	40.00%
<i>Risk free rate (%)</i>	7.20%	6.90%	7.30%	7.10%
<i>Expected dividends expressed as a dividend yield (%)</i>	0.00%	0.00%	0.00%	0.00%

******(a) Pursuant to the resolution passed by the Shareholders of our Company at the extra-ordinary general meeting held on October 23, 2024, our Company has sub-divided its equity share of face value ₹ 10 each fully paid-up, into 10 Equity Shares of face value ₹1 each fully paid-up, effective from October 23, 2024.

(b) The Board at its meeting held on September 8, 2025, has recommended the bonus issue of equity shares in the ratio of 3:5 i.e., 3 Equity Shares will be issued for every 5 existing fully paid-up Equity Share held by the Shareholder, which was further approved by the Shareholders by means of a special resolution in their extra ordinary general meeting dated September 25, 2025. The record date for the bonus share is September 23, 2025. (c) The effect of sub-division and bonus as mentioned above is adjusted for the purpose of computing options for all the periods presented retrospectively.

OBJECTS OF THE OFFER

The Offer comprises the Fresh Issue and the Offer for Sale. For details, see “Offer Document Summary – Offer size” and “The Offer” on pages 19 and 69, respectively.

Offer for Sale

Each of the Selling Shareholders shall be entitled to its respective portion of the proceeds of the Offer for Sale, after deducting its respective proportion of the Offer related expenses and the relevant taxes thereon, as applicable. Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds.

Fresh Issue

The details of the proceeds of the Fresh Issue are set forth below:

Particulars	Estimated amount (in ₹ million)
Gross Proceeds of the Fresh Issue ⁽¹⁾	1,836.00
(Less) Expenses in relation to the Fresh Issue ⁽²⁾⁽³⁾	[●]
Net Proceeds ⁽²⁾	[●]

⁽¹⁾ Our Company, in consultation with the Book Running Lead Managers, may consider a Pre-IPO Placement aggregating up to ₹367.20 million, as may be permitted under the applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the allotment of the Equity Shares issued pursuant to the Pre-IPO Placement will be done towards the general corporate purposes portion of the objects of the Offer, unless auditor certified disclosures are made with regards to its utilization towards the disclosed specific objects of the Offer. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

⁽²⁾ To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

⁽³⁾ For details see “- Offer related expenses” on page 125.

Requirement of funds

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

1. Capital expenditure to be incurred for setting up of new COCO Stores (“**New COCO Stores**”);
2. Expenditure for lease, sub-lease rent and license fee payments for our existing COCO Stores and Manufacturing Facility – VII;
3. Marketing and advertisement expenses towards enhancing the awareness and visibility of our brand; and
4. General corporate purposes.

(Collectively, the “**Objects**”).

In addition to the Objects, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, including enhancement of our Company’s brand name and creation of a public market for our Equity Shares in India.

The main objects clause and the objects incidental and ancillary to the main objects clause of our Memorandum of Association enables us to (a) undertake our existing business activities; and (b) undertake the activities for which the funds are being raised by us in the Fresh Issue and are proposed to be funded from the Net Proceeds.

Proposed schedule of implementation and deployment of Net Proceeds

The Net Proceeds are proposed to be utilised and deployed in accordance with the estimated schedule of implementation and deployment of Net Proceeds as specified below:

(in ₹ million)

S. No.	Particulars	Amount to be funded from the Net Proceeds*	Estimated deployment of the Net Proceeds in Financial Year 2027	Estimated deployment of the Net Proceeds in Financial Year 2028	Estimated deployment of the Net Proceeds in Financial Year 2029
1.	Capital expenditure to be incurred by our Company for setting up of New COCO Stores	504.40	160.00	168.00	176.40
2.	Expenditure for lease, sub-lease rent and license fee payments for our existing COCO Stores and Manufacturing Facility – VII	421.32	165.40	133.13	122.79
3.	Marketing and advertisement expenses toward enhancing the awareness and visibility of our brand	451.88	141.60	162.40	147.88
4.	General corporate purposes [#]	[●] [#]	[●]	[●]	[●]
	Total*	[●]	[●]	[●]	[●]

* To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. Our Company, in consultation with the Book Running Lead Managers, may consider a Pre-IPO Placement aggregating up to ₹367.20 million, as may be permitted under the applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the allotment of the Equity Shares issued pursuant to the Pre-IPO Placement will be done towards the general corporate purposes portion of the objects of the Offer, unless auditor certified disclosures are made with regards to its utilization towards the disclosed specific objects of the Offer. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

[#] To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described in this section are based on our current business plan, management estimates, market conditions and other external commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution. We may have to revise our funding requirements and deployment schedule on account of a variety of factors such as our financial condition, business and strategy, competition, variation in cost estimates and other external factors such as changes in the business environment, market conditions, regulatory frameworks and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws. For details in relation to the discretion available to our management in respect of use of the Net Proceeds, see, “Risk Factors – Our funding requirement and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency. Our Management will have broad discretion over the use of the Net Proceeds.” on page 55.

Further, in case of variations in the actual utilisation of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Offer. In the event that the estimated utilisation of the Net Proceeds in a scheduled Financial Year is not completely met, due to reasons stated above, the same shall be utilised in the next Financial Year, as may be determined by our Company, in accordance with applicable laws. Additionally, we may also utilise a portion of the Net Proceeds allocated for a scheduled Financial Year in advance in case of additional requirement of funds. If the actual utilisation towards of the Objects is lower than the proposed deployment, such balance will be used towards general corporate purposes (to the extent that the total amount to be utilised towards general corporate purposes is within the permissible limits in accordance with the SEBI ICDR Regulations) or any other Object, in accordance with the applicable laws. Further, we will take all necessary board approvals for utilisations of Net Proceeds, as and when required.

Details of the Objects

1. Capital expenditure to be incurred by our Company for setting up of New COCO Stores

We offer our products to our customers through a diversified omni-channel distribution network that integrates both our own and third-party channels, enabling us to make our products available pan-India across 28 states and 6 union territories, as of June 30, 2025. In the offline format, we sell our products through our COCO Stores, which are exclusive brand outlets

operated by our Company from exclusively leased or sub-leased or licensed fee premises. In addition to the above, we also have an online presence through our own websites and other e-commerce marketplaces, which ensures easy access to our products for our customers. Our diversified network also includes general trade, institutional and OEM sales channels and branded foam. For further details, see “Our Business” on page 185.

According to the TKC Report, we were one of the first few players to launch of customer experience stores in the Indian sleep and comfort solutions industry, opening our maiden store in the 2019. Since then, we have scaled our COCO Stores network to 73 as of June 30, 2025, located in 31 cities across 14 states and 2 union territories. Our COCO Stores comprise of exclusive Duroflex and Sleepyhead experience centres, which serve as key touchpoints for ensuring consistency in brand experience, strengthening consumer trust, and enhancing brand understanding. These outlets provide a controlled and branded environment where customers can have a hands-on experience with our products and engage with our staff, fostering a deeper connection with our brands. Our COCO Stores are operated by the Company from exclusively leased, sub-leased or licensed premises.

Our strategy for COCO Stores, is to provide customers with a direct, hands-on experience with our products, thereby enhancing their understanding and trust in our brands. These stores function as experience centres, allow customers to engage with a wide range of our offerings, including mattresses, beds, sofas, and recliners. The expansion of these stores is a data-driven process, targeting locations with high business potential by analysing market demand, population density, demographic trends, and data from our e-commerce sales to pinpoint underserved areas. We also review the sales performance of existing COCO Stores to identify and replicate successful patterns in new locations.

A key benefit of this model is improved capital efficiency, as many stores operate as experience centres without holding bulky inventory. These stores also serve as a strategic channel for introducing new and premium products to the market.

The number of COCO Stores established by our Company in the last three Financial Years and for the three months period ended June 30, 2025, are as follows^{*,^}:

Particulars	As at and for the three months period ended June 30, 2025	As at and for the Financial Year 2025	As at and for the Financial Year 2024	As at and for the Financial Year 2023
Number of COCO Stores opened/added during the relevant period [*]	2	4	14	12
Number of COCO Stores closed during the relevant period [#]	Nil	1	Nil	3
Number of COCO Stores open as on the last day of each period / Closing count of the COCO [*]	73	71	68	54
Total capital expenditure incurred on the COCO Stores opened (in ₹ million) [*]	12.69	14.89	47.30	35.13
Average capital expenditure incurred on per COCO Stores opened (in ₹ million) ^{^&}	6.34	3.72	3.38	2.93
Total area of COCO Stores opened (square feet) [*]	4,423	11,474	22,598	16,120
Average size of COCO Stores opened (square feet) [*]	2,212	2,869	1,640	1,343

^{*} As certified by Architects IN, by way of their certificate dated October 15, 2025.

[^] As certified by P K Shah & Co, Chartered Accountants, having firm registration number 308150E, by way of their certificate dated October 15, 2025.

[#] Reason for closure of certain COCO Stores is due to low revenue generation and relocation to other locations within India.

[&] Average capital expenditure incurred on per COCO Store opened (in ₹ million) is computed as total capital expenditure incurred on the COCO Store opened (in ₹ million) divided by number of COCO Stores opened/added during the relevant period.

As of June 30, 2025, our COCO Stores range in size from 330 square feet to 4,500 square feet, with an average store size of approximately 1,700 square feet. The size and layout of our COCO Stores are dependent on an evaluation of several factors, which include:

- (i) Market and demographic analysis, including an assessment of market demand, population density, and demographic trends to understand target customer profiles.
- (ii) The physical attributes of the location, such as high visibility, easy accessibility, and adequate parking, which are prioritized to attract footfall.

- (iii) The presence of competition, which is considered a key factor as it may indicate existing demand.
- (iv) The financial viability of the location, which is analyzed by evaluating rent, fit-out costs, and projected revenues.
- (v) Analysis of customer and sales data from our existing COCO Stores and e-commerce channels to identify successful patterns for replication in new areas.

Proposed utilisation of Net Proceeds

As on date of this Draft Red Herring Prospectus, our Board of Directors pursuant to its resolution dated October 11, 2025, have approved the business expansion plan of opening 150 New COCO Stores across cities in India. Out of the 150 New COCO Stores, 120 New COCO Stores are proposed to be established utilising ₹ 504.40 million from the Net Proceeds in Financial Years 2027, 2028 and 2029 towards this Object.

Our Company proposes to set up 120 New COCO Stores across India, as set out below:

Period	Opening targets
Financial Year 2027	40
Financial Year 2028	40
Financial Year 2029	40
Total	120

Consistent with our current practice of operating our COCO Stores from exclusively leased and sub-leased, or licensed premises, we will continue this approach for all proposed New COCO Stores. For further details, see “*Our Business - Properties*” on page 221. As on the date of this Draft Red Herring Prospectus, we have not yet entered into any lease agreements for the specific properties where we intend to set up the New COCO Stores using the Net Proceeds. We intend to open our New COCO Stores in a mix of our existing locations as well as new locations within India, including locations such as Hyderabad, Telangana, Chennai, Tamil Nadu, Mumbai, Maharashtra, Pune, Maharashtra, New Delhi, Delhi, Bengaluru, Karnataka, Gurugram, Haryana, Ahmedabad, Gujarat, and Kolkata, West Bengal. These locations are not exhaustive and may undergo changes. The final location of each of our New COCO Stores will be decided by our Company after a detailed and data-driven analysis of several critical factors, including market and demographic analysis, visibility and accessibility of the site, the presence of competition, and financial viability based on rent, fit-out costs, and projected revenues. The estimate of the number of stores to be set up is an internal management estimate based on current business needs. This plan may vary subject to compliance with applicable law and in light of factors such as property availability, business dynamics, brand recall, and other market considerations which may not be in our control.

Estimated cost

Capital expenditure

As of June 30, 2025, the average size of our COCO Stores (aggregate area divided by number of active COCO Stores) is approximately 1,700 square feet of built-up area per store. In the future, we intend to open New COCO Stores of varied sizes, tailored to specific locations and market needs, based on our past experience and data-driven analysis. The size, number, and exact area of such proposed New COCO Stores may vary and will depend on various factors, including market and demographic analysis, availability of suitable locations, lease rentals, potential footfall, and competition within a given region. For the purpose of arriving at estimated costs below, we have considered an average size of approximately 2,000 square feet per New COCO Store (“**Average Size**”). While the individual store sizes may vary, the new COCO Stores are proposed to be set up on an overall aggregate area measuring approximately 240,000 square feet.

The estimated costs of setting up a New COCO Store of Average Size are based on (i) certificate dated October 15, 2025 from Architects IN, independent architect, for the purposes of certifying the costs associated with setting up of a New COCO Store of Average Size; (ii) valid quotations obtained by our Company, from various contractors/vendors, details of which are set out below; and (iii) our management and internal estimates for specifications and item requirements, based on our prior experience of setting-up similar COCO Stores, prior to the date of this Draft Red Herring Prospectus. The quotations obtained by our Company is based on a New COCO Store of Average Size and is location agnostic.

The estimated capital expenditure for setting up the New COCO Stores of Average Size in the Financial Year 2026 is as follows:

Sr. No	Particulars	Cost involved (in ₹ million) ⁽⁴⁾	Contractor / Vendor name, date of quotation and period of validity of quotation
1.	Civil and interior works – This primarily comprises of demolition works, flooring work, carpentry and partitions, false ceiling and pop works, finishes works, washroom works, doors and other carpentry works and facade glass	1.12 ⁽²⁾	Quotation issued by Shikha Interiors dated September 26, 2025, and valid till one year from the date of quotation.
2.	Electrical works – This primarily consists of fixing floor conduiting with pop up box, supply and installation of cables, testing and commissioning of back-up, termination, battery, rakes, etc.	0.44 ⁽²⁾	
3.	Stock loss prevention works – This primarily consists of supply and installation of music systems, closed circuit television, fire alarm components and fire extinguishers	0.25 ⁽²⁾	
4.	Miscellaneous works - This primarily consists of elevation works like double height ply board for visuals, wall moulding as per design, wall patti work, hanging units for curtains, cash counter, wooden half height paneling, accessories unit, modular mattress display unit, cash back unit, panel work in vertical patti area and vertical patti work	0.31 ⁽²⁾	
5.	Extra works: This primarily consists of core cutting, holes closing with plaster and waterproofing chemical, providing and applying pest control, scaffolding, providing housekeeping service including cleaning the floor on daily basing, clearing the debris at required intervals, 3 time deep cleaning of the store which includes cleaning of glass, mirrors, service fixtures, metal/wood/laminate/fabric/painted surfaces, floor acid wash, floor scrubbing, washing the floor, etc. to handover the store dust and stain free, debris shifting out of city limits with tractor and labor and other related works etc.	0.10 ⁽²⁾	
6.	LED: This primarily consists of a P4 MS cabinet module based 3840HZ refresh rate with 3 years warranty, LED wall processor controller resolution - 320 x 600 1,92,000 pixels, computer numerical control (CNC) cut cabinet, content management software and cloud access license per year, installation and commission	0.36 ⁽²⁾	Quotation issued by Radiant Synage dated October 9, 2025, and valid till one year from the date of quotation.
7.	Light fixtures: This primarily comprises of horizontal tracklight 3wire/meter, power track 2 meter 3wire single phase – white, power track 1 meter 3wire single phase – white, live end feeder - white, dead end feeder - white, straight connecting jointer-white, suspension system for power tracks and round downlight LED 20W recess mount luminaire 4000k white IP 20	0.24 ⁽²⁾	Quotation issued by PMEA Solar Tech Solutions Limited dated September 26, 2025, and valid till one year from the date of quotation.
8.	Facade and Signage: This primarily comprises of aluminum composite panel facade cladding work, 3D signage in Kannada, 3D signage in English, 3D signage for mattress, sofas, beds, scaffolding charges and fixing charges	0.40 ⁽²⁾	Quotation issued by Xtreme Solutions dated September 26, 2025, and valid till one year from the date of quotation.
9.	TV – This primarily comprises of 55-inch display supporting landscape and portrait orientation, push pull wall mount, and installation charges	0.05 ⁽³⁾	Quotation issued by Radiant Synage dated October 9, 2025, and valid till one year from the date of quotation.
10.	Heating, ventilation, and air conditioning (HVAC) works - This primarily comprises of supply of cassette unit with copper condensing coils, 3.0 TR-fixed speed cassette unit, 4.0 TR-fixed speed cassette unit, 1.5tr split air conditioner for back end	0.46 ⁽³⁾	Quotation issued by AH Rainbow Air Conditioning Private Limited dated September 26, 2025, and valid till one year from the date of quotation.
11.	Low side ancillary work - This primarily comprises lifting, shifting, positioning, installation, testing and commissioning of units, copper refrigerant piping complete with liquid line insulated with suction line, transmission and control wiring, drain piping, hanging, arrangements, core cutting per hole and scaffolding charges	0.29 ⁽²⁾	
Total (in ₹ million)		4.02⁽¹⁾	

(1) The total estimated capital expenditure for setting-up of one New COCO Store of Average Size has been certified by Architects IN, by way of their certificate dated October 15, 2025.

(2) Inclusive of GST since input tax credit cannot be claimed.

(3) Exclusive of GST since input tax credit can be claimed.

(4) Figures are rounded off to their nearest decimal.

- (5) *The amount included in the quotation does not include certain additional charges, inter alia taxes, freight and transportation. We will bear the cost of such additional charges, as applicable, out of our internal accruals.*

Our Company has assumed an inflation rate of 5% (*figure is rounded down to its nearest integer*) annually based on the average consumer price index rate for the last three financial years (as per the press release dated April 16, 2025, issued by the Ministry of Finance, Government of India). Due to this inflation, our capital expenditure per New COCO may increase every Financial Year.

While the quotations are valid as on date of this Draft Red Herring Prospectus, we have not entered into any definitive agreements or placed orders with any of these contractors/vendors and there can be no assurance that the above-mentioned contractors/vendors would be eventually engaged to supply the above-mentioned materials. For details, see “*Risk Factors – Our funding requirement and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency. Our Management will have broad discretion over the use of the Net Proceeds*” on page 55. Our Company may, thus, seek new quotations upon expiry of such quotations or engage new contractors/vendors, which may result in additional costs to be incurred per New COCO Store of Average Size. Further, while the costs set out above provide details regarding the estimated costs associated with setting up one New COCO Store, the actual costs incurred by the Company for setting up New COCO Stores in the future are subject to variation based on factors such as location, the type of contractors and vendors employed, and the store’s dimensions. Furthermore, these estimated costs may increase or decrease contingent upon revised commercial terms, the prevailing rate of inflation, or other macroeconomic factors. In the event of any increase in estimated cost, such additional cost shall be funded through alternate funding options such as internal accruals and/or the procurement of future debt from lenders.

Further, no second-hand or used machinery and equipment are proposed to be purchased out of the Net Proceeds.

Approvals required for setting up New COCO Stores

In relation to this proposed Object, we will be required to obtain certain approvals and/or licenses, which are routine in nature, from certain governmental authorities. These approvals and/or licenses are required to be procured either by our lessor or us as appropriate. This will *inter alia* include registration of our New COCO Stores under the shops and establishments legislations of the states where they are located, trade licenses and obtaining registrations under contract labour regulations or ensuring that the property has procured fire NOCs/fire safety certificate wherever applicable, from respective municipal/government authorities of areas where our New COCO Stores will operate. We will apply for such approvals, as applicable, in the ordinary course and in accordance with applicable laws. For details of laws applicable and approvals required for our New COCO Stores, see “*Key Regulations and Policies in India*” and “*Government and Other Approvals*” on pages 223 and 400. The costs pertaining to obtaining the requisite government approvals would be funded through internal accruals of our Company.

Lease/rental expenses for New COCO Stores

The establishment of New COCO Stores will entail recurring lease, licensing and/or rental expenses for the premises. We anticipate obtaining licenses or entering into lease/sub-lease or rental agreements for these lease, sub-leased or licensed premises. These lease, licensing and rental payments are operational costs and are distinct from the above-mentioned estimated costs pertaining to the setting up of such stores and which shall be funded through internal accruals of our Company.

2. Expenditure for lease sub-lease rent and license fees payments for our existing COCO Stores and Manufacturing Facility – VII

As of June 30, 2025, we had 73 COCO Stores in India that were operational. All of our COCO Stores are on a lease, leave and license and sub-lease basis, pursuant to various lease, leave and license or sub-lease agreements, which are typically entered into by our Company for a period ranging from 10 months to 9 years. For further details, see “*Our Business – Properties*” on page 221.

Our Company has incurred the following expenditure towards the lease, sub-lease rent or license fee payments on the COCO Stores in the last three Financial Years and the three months period ended June 30, 2025:

Particulars	As at and for the three months period ended June 30, 2025	As at year ended March 31,	As at year ended March 31, 2024	As at year ended March 31, 2023
Total number of COCO Stores for which lease, sub-lease rent and license fee	73	72	68	57

Particulars	As at and for the three months period ended June 30, 2025	As at year ended March 31,	As at year ended March 31, 2024	As at year ended March 31, 2023
payments were made, in the Financial Year/period [#]				
Rent payments made for the COCO Stores in the Financial Year/period [#] (in ₹ million)	50.05	181.81	156.10	116.42

[#] As certified by P K Shah & Co, Chartered Accountants, having firm registration number 308150E, by way of certificate dated October 15, 2025.

Our Company has incurred the following expenditure towards the rent payments for the Manufacturing Facility – VII in the last three Financial Years and the three months period ended June 30, 2025:

Particulars	As at and for the three months period ended June 30, 2025 (in ₹ million) [#]	As at year ended March 31, 2025 (in ₹ million) ^{#*}	As at year ended March 31, 2024 (in ₹ million) ^{#*}	As at year ended March 31, 2023 (in ₹ million) ^{#*}
Rent payments made for the Manufacturing Facility – VII in the Financial Year/period [#]	6.48	-	-	-

[#] As certified by P K Shah & Co, Chartered Accountants, having firm registration number 308150E, by way of certificate dated October 15, 2025.

* The Manufacturing Facility – VII was set up in the first quarter of Fiscal 2026.

We intend to utilise up to ₹421.32 million towards the payment of lease, sub-lease rent and license fee payments for our (i) 41 existing COCO Stores located in Ahmedabad, Gujarat, Mumbai, Maharashtra, Chandigarh, Chandigarh, New Delhi, Delhi, Chennai, Tamil Nadu, Cuttack, Odisha, Bengaluru, Karnataka, Hubli, Karnataka, Indore, Madhya Pradesh, Jaipur, Rajasthan, Kolkata, West Bengal, Margoa, Goa, Hyderabad, Telangana, Surat, Gujarat, Siliguri, West Bengal, Cochin, Kerela, Gurugram, Haryana, Noida, Uttar Pradesh, Visakhapatnam, Andhra Pradesh, Vijayawada, Andhra Pradesh, and Thane, Maharashtra and (ii) Manufacturing Facility – VII of our Company for Financial Years 2027, 2028 and 2029. The payments are based on the actual amounts payable based on valid and existing lease deeds, leave and license agreements and sub-lease deeds which have been entered into by our Company, with various lessors or licensors for operating the COCO Stores and the Manufacturing Facility – VII. Pursuant to the terms of such agreements, the range of (i) rent/license fee typically varies from ₹0.07 million to ₹6.54 million per month and (ii) escalation typically is approximately 5.00% per annum.

The amount to be utilised from the Net Proceeds towards the lease, sub-lease rent or license fee payments for the existing COCO Stores and Manufacturing Facility – VII, in Financial Years 2027, 2028 and 2029 is as follows:

Particulars	Financial Year 2027	Financial Year 2028	Financial Year 2029	Total
Aggregate lease, sub-lease and license fees payments for existing COCO Stores to be made which are existing on June 30, 2025 (in ₹ million) [#]	82.48	46.06	31.37	159.91
Rent payments to be made for the Manufacturing Facility – VII (in ₹ million) [#]	82.92	87.07	91.42	261.41
Total (in ₹ million)[#]	165.40	133.13	122.79	421.32

[#] The above-mentioned estimate has been verified and certified by P K Shah & Co, Chartered Accountants, having firm registration number 308150E, by way of its certificate dated October 15, 2025.

The above-mentioned estimates take into consideration: (a) any escalation in accordance with the terms of the lease agreements and leave and license agreements, and (b) the alternative spaces/ renewal of leases which are expiring till Fiscal 2029.

Further, while the Net Proceeds is not intended to be utilised towards the lease, sub-lease rent payments and license fee of the New COCO Stores proposed to be opened out of the Net Proceeds, however, in the event that the lease, leave and license or sub-lease agreements for any of the existing COCO Stores are terminated prior to the completion of its terms, or if any of such agreements are amended to reduce the respective lease, sub-lease rent or licence fee amount, we may use the remaining/surplus Net Proceeds towards lease, sub-lease rent or license fee payments for the New COCO Stores which shall be set up from the Net Proceeds, subject to applicable law, such that the amount proposed to be utilised towards this Object does not exceed ₹421.32 million.

3. Marketing and advertisement expenses toward enhancing the awareness and visibility of our brand

Over the years, as our business has grown, we have built strong brand equity driven by a multi-pronged marketing approach designed to widen our customer base and actively acquire new consumers. The core of our marketing strategy is a ‘house of brands’ architecture, where each of our brands (Duroflex, Sleepyhead, Perfect Rest) has a differentiated value proposition to cater to distinct customer segments and price points. Our marketing efforts help customers discover our brands through a variety of online and offline touchpoints, and they can engage with us through our COCO Stores, websites, and e-commerce marketplaces. Through our content-based marketing and celebrity and influencer-driven campaigns, we aim to create thought leadership, health awareness on the importance of sleep, and customer aspiration for premium mattresses. For further details see, “*Our Business – Our Strategies*” on page 197.

Our Company follows a multi-pronged approach towards marketing, spanning celebrity, cricket and athletic collaborations, community engagement, social media influencers and marketing campaign.

Historically, our initiatives have involved collaborations with several celebrities across sports and films industry to enhance the reach and appeal of our brands and deepen consumer trust. For example, we have collaborated with prominent personalities such as Virat Kohli for our Duroflex brand and Ranveer Singh (from June 27, 2022 to June 26, 2024) for our Sleepyhead brand. We also we collaborated with a franchisee cricket team for the 2024 Indian Premier League season, as their official sleep partner and partnered with an Indian Olympic athlete training facility to support Indian Olympic-level athletes with high-performance sleep solutions. For further details, see “*Our Business - Competitive Strengths - Strong brand equity, driven by a multi-pronged marketing approach*” on page 192.

We maintain a disciplined approach to our marketing spend, focusing on achieving significant brand visibility and customer engagement efficiently. In Fiscal 2025, our advertisement and sales promotion expenses represented 6.44% of our revenue from operations which is ₹730.11 million. For details see “*Our Business - Marketing and Promotion*” on page 207.

Our marketing efforts have received industry recognition, including the ‘Best Celebrity Activation’ award at the India Influencer Awards in 2024 and the ‘Home and Lifestyle Retailer of the Year’ award from the Industry of Retail and eCommerce in 2024. For further details, see “*History and Certain Corporate Matters – Awards, accreditations and recognitions*” on page 234.

Historical expenditure on advertisement and sales promotion expenses

The total advertisement and sales promotion expenses incurred by our Company for the three months period ended June 30, 2025 and the year ended March 31, 2025, March 31, 2024, and March 31, 2023, are as follows:

Particulars	For the three months period ended June 30, 2025 (in ₹ million)	For the year ended March 31, 2025 (in ₹ million)	For the year ended March 31, 2024 (in ₹ million)	For the year ended March 31, 2023 (in ₹ million)
Advertisement and sales promotion expenses*	160.56	730.11	850.14	758.81

* The amounts disclosed above are based on the Restated Consolidated Financial Information of our Company for three months period ended June 30, 2025, and the Fiscals 2025, 2024 and 2023.

Proposed utilisation of Net Proceeds

We intend to utilize ₹451.88 million of our Net Proceeds towards funding of our marketing and advertisement spends, deployed as ₹141.60 million in Financial Year 2027, ₹162.40 million in Financial Year 2028 and ₹147.88 million in Financial Year 2029. Our deployment of the Net Proceeds for this Object and the medium through which marketing initiatives may be undertaken is contingent on various internal and external factors, such as our Company’s business and marketing plans, prevailing market conditions, expected viewership of our advertisements in different geographies, nature of our marketing campaigns etc. Further, maintaining and improving upon our marketing strategies involves expenditures which may not be proportionate to the revenue generated and customers acquired. Any additional expenses which may be incurred by our Company towards advertisement and marketing expenses would be funded through internal accruals of our Company or means other than the Net Proceeds.

To arrive at the estimated costs to be incurred by our Company towards our marketing and advertisement spends, our Company has taken into account the historical expenditure incurred by our Company towards marketing and advertisement spends over the last three Financial Years and the three months period ended June 30, 2025.

Our Company has entered into several agreements in the past with third parties for marketing, advertising, sponsorship, and strategic support services. A summary of these agreements is provided below:

- (i) Our Company has entered into an advertising agency agreement (“**Agreement**”), which includes digital marketing services, dated July 3, 2025, and effective from July 1, 2025 (“**Effective Date**”), with Enormous Brands LLP (“**Agency**”), a third-party marketing agency involved in the business of providing advertising agency services in India. The Agreement is valid for a period of 12 months from the Effective Date, expiring on June 30, 2026. The scope of services under the Agreement includes, *inter alia*, strategic, planning, creative development, media planning, digital marketing, public relations, and other related advertising and communication activities. The Agency also provides monthly performance reporting, key performance indicator management, suggestions for post boosts by providing strategic recommendation to enhance the reach and engagement of digital content, and influencer marketing services.
- (ii) Our Company has entered into an agreement for digital marketing services dated April 1, 2025, effective from the same date (“**Effective Date**”), read with amendment to the agreement dated October 9, 2025, with Catalysts Team Solutions (OPC) Private Limited, a third-party agency engaged in the business of providing digital marketing consultation services (“**Marketing Agreement**”). The Marketing Agreement is valid for a period of 4 years from the Effective Date. The scope of services include keyword research and strategy, technical search engine optimisation (“**SEO**”), on-page SEO, off-page SEO, content strategy, local SEO, SEO analytics and reporting, programmatic SEO, conversion rate optimisation, routing payment for media spends of our Company across various digital and traditional advertising platforms under the Marketing Agreement. The Marketing Agreement records the intention of our Company to spend up to ₹510.00 million, over a course of three Financial Years, commencing from April 1, 2026 on the above-mentioned marketing activities.
- (iii) Our Company has entered into an endorsement agreement executed on June 6, 2024, effective from May 15, 2023 (“**Effective Date**”), with Virat Kohli, a professional cricket player (“**Endorsement Agreement**”). The Endorsement Agreement is valid for a period of three years from the Effective Date, expiring on May 14, 2026. The scope of services under the Endorsement Agreement includes, *inter alia*, Virat Kohli providing personal services to endorse our Company’s mattresses, beds, and sleep accessories under the Duroflex brand within India, including availability for photo and video and ad campaign shoots and social media posts.

4. General corporate purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹[●] million towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds, in compliance with Regulation 7(2) of the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds may include but not restricted to strategic initiatives, funding growth opportunities, meeting exigencies, support functions, meeting general corporate expenses incurred by our Company, as may be applicable and such other factors as decided by our Board subject to compliance with applicable law, including provisions of the Companies Act.

The allocation or quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company’s management shall have flexibility in utilising surplus amounts, if any. The amount to be utilized from the Net Proceeds towards general corporate purpose shall not be used for utilization for any of the other identified Objects.

Means of Finance

The fund requirements set out in the aforesaid Objects are proposed to be met entirely from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable accruals as required under the SEBI ICDR Regulations. In case of a shortfall in the Net Proceeds or any increase in the actual utilization of funds earmarked for the Objects, our Company may explore a range of options, including utilizing our internal accruals.

Interim use of Net Proceeds

Pending utilisation of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board or a duly constituted committee thereof.

In accordance with the Companies Act, 2013, we confirm that we shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹[●] million.

Other than (a) listing fees, audit fees of statutory auditors (to the extent not attributable to the Offer) and expenses in relation to product or corporate advertisements consistent with past practice of our Company which will be borne by the Company; and (b) fees and expenses in relation to the legal counsel appointed by the respective Selling Shareholders which shall be borne by the respective Selling Shareholders, each of our Company and the Selling Shareholders agrees that all costs, charges, fees and expenses associated with and incurred directly with respect to the Offer shall be shared among the Company and the Selling Shareholders, on a pro rata basis, in proportion to the number of Equity Shares: (i) issued and Allotted by our Company through the Fresh Issue and; (ii) sold by each of the Selling Shareholders through the Offer for Sale, in accordance with Applicable Law. For avoidance of doubt, it is clarified that in the event the Selling Shareholders do not sell and/ or fully withdraws from the Offer or abandon the Offer, at any stage, prior to completion of the Offer, consequently them not being a party to the Offer Agreement, or if the Offer is not completed for any reason, they shall not be liable to pay and/ or reimburse our Company for any cost, charges, fees and expenses associated with and incurred in connection with the Offering (including BRLMs fee and expenses), unless required by Applicable Law or written observations issued by any Governmental Authority in relation to the Offer. All such payments shall be made by our Company on behalf of the Selling Shareholders and, each of the Selling Shareholders, severally and not jointly, agree that it shall reimburse the Company, on a pro rata basis, in proportion to its respective portion of the Offered Shares that are sold in the Offer, for any documented expenses incurred by our Company on behalf of such Selling Shareholder to the extent required by Applicable Laws towards the Offered Shares in the Offer for Sale in case of the Selling Shareholders, subject to receipt of supporting documents for such expenses upon the successful completion of the Offer. It is further clarified that all payments shall be made first by the Company and consequently each of the Selling Shareholders severally and not jointly shall reimburse our Company for its respective proportion of Offer related expenses upon the success of the Offer.

The break-up for the Offer expenses is as follows:

Activity	Estimated expenses ⁽¹⁾ (in ₹ million)	As a % of the total estimated Offer expenses ⁽¹⁾	As a % of the total Offer size ⁽¹⁾
Book Running Lead Managers' fees	[●]	[●]	[●]
Commission/processing fee for SCSBs and Bankers to the Offer. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Fees payable to the other parties to the Offer including, Statutory Auditor, industry service provider, independent chartered accountant, practising company secretary, independent architect, independent chartered engineer, monitoring agency and fees payable to legal counsel	[●]	[●]	[●]
Others	[●]	[●]	[●]
• Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
• Printing and distribution of Offer stationery	[●]	[●]	[●]
• Advertising and marketing expenses	[●]	[●]	[●]
• Miscellaneous*	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

* Offer expenses include goods and services tax, where applicable. Offer expenses will be incorporated in the Prospectus. Offer expenses are estimates and are subject to change.

⁽¹⁾ Selling commission payable to the SCSBs on the portion for Retail Individual Investors and Non-Institutional Investors, which are directly procured by the SCSBs, would be as follows:

Portion for Retail Individual Investors*	[●]% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Investors*	[●]% of the Amount Allotted* (plus applicable taxes)
Employee Reservation Portion	[●]% of the Amount Allotted* (plus applicable taxes)

*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid book of BSE or NSE. No processing fees shall be payable by any of the Selling Shareholders to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs of ₹[●] per valid application (plus applicable taxes) for processing the Bid cum Application Form for Non-Institutional Investors which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking.

- (2) Brokerage, selling commission and processing/uploading charges on the portion for Retail Individual Investors and Non-Institutional Investors which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-Syndicate Members) would be as follows:

Portion for Retail Individual Investors*	[●]% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Investors*	[●]% of the Amount Allotted* (plus applicable taxes)
Portion for Eligible Employees	[●]% of the Amount Allotted* (plus applicable taxes)

*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

The Selling commission payable to the Syndicate / sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / sub-Syndicate Member.

Uploading charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the applications made by RIIs using 3-in-1 accounts/Syndicate ASBA mechanism and Non-Institutional Investors which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts/Syndicate ASBA mechanism, would be as follows: ₹[●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

- (3) Selling commission/ uploading charges payable to the Registered Brokers on the portion for RIIs and Non-Institutional Investors which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

Portion for Retail Individual Investors*	₹[●] per valid application (plus applicable taxes)
Portion for Non-Institutional Investors*	₹[●] per valid application (plus applicable taxes)

*Based on valid applications.

- (4) Uploading charges/ Processing fees for applications made by RIIs using the UPI Mechanism would be as under:

Members of the Syndicate / RTAs / CDPs / Registered Brokers	₹[●] per valid application (plus applicable taxes)
Sponsor Bank	₹[●] processing fees for applications made by Retail Individual Investors will be Nil for each valid Bid cum application form. The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement. The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation and make such payment in compliance with SEBI ICDR Master Circular.

Monitoring of utilisation of funds

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company shall appoint [●] as the Monitoring Agency for monitoring the utilisation of the Gross Proceeds. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Gross Proceeds and submit the report required under the SEBI ICDR Regulations.

Our Company will disclose, and continue to disclose, the utilisation of the Gross Proceeds, including interim use, under a separate head in our balance sheet for such financial years as required under applicable law, specifying the purposes for which the Gross Proceeds have been utilised, till the time any part of the Fresh Issue proceeds remains unutilised. Our Company will also, in its balance sheet for the applicable financial years, provide details, if any, in relation to all such Gross Proceeds that have not been utilised, if any. Further, our Company, on a quarterly basis, shall include the deployment of Gross Proceeds under various heads, as applicable, in the notes to our quarterly consolidated results.

Pursuant to Regulation 18(3) and Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. The Audit Committee will make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. In accordance with Regulation 32(5) of the SEBI Listing Regulations, the statement shall be certified by statutory auditors of our Company. Furthermore, in accordance with the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement indicating (a) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the Objects; and (b) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the Objects. This information will also be published in newspapers, one in English, one in Hindi, and one regional language of the jurisdiction where our Registered and Corporate Office is located, simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, our Company shall not vary the Objects without being authorised to do so by our Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to our Shareholders in relation to the passing of such special resolution (“**Postal Ballot Notice**”) shall specify the prescribed details as required under the Companies Act and applicable rules. For further details, see “*Risk Factors – Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders’ approval*” on page 56. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in an English national daily newspaper and in one Malayalam daily newspaper (Malayalam being the regional language of Kerala, where our Registered Office is located), in accordance with the Companies Act and applicable rules. The Shareholders who do not agree to the proposal to vary the Objects shall be given an exit offer, at such price, and in such manner, in accordance with our Articles of Association, the Companies Act, and the SEBI ICDR Regulations.

Appraising entity

None of the Objects for which the Net Proceeds will be utilised have been appraised by any external agency or any bank or financial institution.

Bridge financing facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Other Confirmations

Except to the extent of proceeds received by the Promoter Selling Shareholders pursuant to the Offer for Sale, none of our Promoters, the members of the Promoter Group, Directors, Key Managerial Personnel or Senior Management or our Group Companies will receive any portion of the Net Proceeds.

Our Company has not entered into and is not planning to enter into any arrangement/ agreements with any of Promoters, members of our Promoter Group, Directors, Key Managerial Personnel or members of the Senior Management in relation to the utilization of the Net Proceeds. There is no existing or anticipated interest of such individuals and entities in any of the aforementioned Objects.

BASIS FOR OFFER PRICE

The Price Band and Offer Price will be determined by our Company, in consultation with the Book Running Lead Managers, on the basis of assessment of market demand for the Equity Shares of face value ₹1 each offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹1 each and the Offer Price is [●] times the Floor Price and [●] times the Cap Price, and Floor Price is [●] times the face value and the Cap Price is [●] times the face value. Bidders should also see “*Risk Factors*”, “*Summary of Restated Consolidated Financial Information*”, “*Our Business*”, “*Restated Consolidated Financial Information*”, and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 32, 71, 185, 269 and 352, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are as follows:

1. Established business with a continuing legacy of 60 years, and strong market position in the mattress segment
 - We are among the top three largest mattress companies in India, with a market share of 8%, based on branded modern mattress market share by value for Fiscal 2025 (*Source: TKC Report*).
 - In South India, which has traditionally been our largest geographic market, we are among the top two players in the branded modern mattress segment with a market share of approximately 20% for Fiscal 2025 (*Source: TKC Report*).
 - Our predecessor entity was incorporated in 1963 and the Duroflex brand was registered in 1981.
2. House of brands capturing multiple customer segments and price points
 - We have followed a ‘house of brands’ strategy such that each brand and sub-brand has a differentiated value proposition that enables us to cater to customers with distinct needs and preferences, allowing us to position ourselves as a one-stop-shop for customers’ mattress requirements.
 - As a result, we are positioned to capture customer segment across the sleep and comfort solutions market, offering us the capability to address a wide range of prices. Our brands include Duroflex, Sleepyhead, Perfect Rest and Durofoam.
3. Comprehensive product portfolio and customer centric product innovations
 - We have an extensive product portfolio in mattresses and adjacent categories and position ourselves as a one-stop shop for our customers for any type of sleep and comfort needs. We leverage our brand equity to enter into additional furniture categories, aiming to increase the customer life time value.
 - As of June 30, 2025, we offered more than 3,900 SKUs in mattress categories across our three brands.
 - We have India’s largest range of mattresses compared to our peer companies, with 67 product options (*Source: TKC Report*).
4. Strong brand equity, driven by a multi-pronged marketing approach
 - We benefit from strong customer affinity and brand recognition, as one of the leading brands in the branded premium segment, which constitutes 80% of the overall premium market as of Fiscal 2025 (*Source: TKC Report*).
 - We follow a multi-pronged approach towards marketing, spanning celebrity, cricket & athletic collaborations, community engagement, social media influencers and marketing campaigns.
5. Well-diversified, pan-India omnichannel distribution network
 - We are one of the few brands with a strong omnichannel presence and have significantly scaled presence across both online and offline channels with our comprehensive omnichannel distribution network covering our COCO Stores; e-commerce channels; general trade, including trade stores; institutional and OEM sales, as well as branded foam (*Source: TKC Report*).
 - We have scaled our COCO Stores network to 73 as of June 30, 2025, located in 31 cities across 14 states and 2 union territories.
 - We sell our products online through both our own websites and e-commerce marketplaces.
 - Our products are sold pan-India through our general trade distribution channel, covering 375 distributors and over 5,576 trade stores, including those operated by our franchisees as of June 30, 2025.

- We sell a diverse range of mattress products to hospitality, co-living providers, hospitals, educational and government agencies.
 - We sell branded foam as an intermediate good to manufacturers of various product categories including bedding, furniture, cushioning, automotive, footwear, lingerie, medical packaging and other companies to incorporate into their final products.
6. Difficult to replicate, vertically integrated manufacturing and supply chain operations
- We are one of only two highly vertically integrated players in the industry which offers us enhanced control over product quality, cost optimization, and supply chain stability as compared to our non-vertically integrated peers (*Source: TKC Report*).
 - During Fiscal 2025, our available capacity was 36,036 metric tons of foam, 24,932 metric tons of foam sheets, 1.2 million mattresses, 83 thousand sofa sets as of Fiscal 2025. Further, during Fiscal 2025, our utilization rate was 78.39% for foam, 61.60% for foam sheets, 69.45% for mattresses and 77.10% for sofa sets.
 - Our well-structured supply chain network includes 19 warehouses: one mother warehouse in Hosur (with an area of 2.17 lakh square feet) within the premises of Manufacturing Facility VII and 18 regional depots (ranging from 3,000 to 75,594 square feet), as of June 30, 2025.
7. Promoter led company with a strong professional management team
- Our organization is led by third-generation, entrepreneurial promoters, Jacob Joseph George, Mathew Chandy, Mathew George and Mathew Antony Joseph.
 - Our promoters are complemented by a motivated, professional and experienced leadership team with a combined experience of more than 140 years across 11 industries.
 - Our Board of Directors consists of 8 directors including our Chairman and Managing Director, 3 Whole-time Directors and 4 Independent Directors.
 - Additionally, we have been funded by marquee investors, Lighthouse and Norwest, who continue to guide us on strategic initiatives.

For details, see “*Our Business – Competitive Strengths*” on page 188.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Consolidated Financial Information. For details, see “*Restated Consolidated Financial Information*” and “*Other Financial Information*” on pages 269 and 346, respectively.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

A. Basic and Diluted Earnings per Equity Share (“EPS”)

Period Ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Financial Year ended March 31, 2025	4.93	4.93	3
Financial Year ended March 31, 2024	1.17	1.17	2
Financial Year ended March 31, 2023	(1.62)	(1.62)	1
Weighted Average EPS	2.59	2.59	-
Three months period ended June 30, 2025*	0.59	0.59	

*Not annualised.

Notes:

- (1) Basic earnings per share is calculated by dividing the profit/(loss) for the period/year attributable to equity Shareholders by the weighted average number of equity shares outstanding during the period/year.
- (2) Diluted earnings per share is calculated by dividing profit/(loss) for the period/year attributable to equity Shareholders by the weighted average number of equity shares outstanding during the period/year adjusted for the effect of potential equity shares on employee stock option outstanding.
- (3) Weighted average EPS = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/total of weights.

B. Price/Earning (“P/E”) ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share:

Particulars	P/E at the Floor Price (number of times)*	P/E at the Cap Price (number of times)
Based on basic EPS for Financial Year ended March 31, 2025	[●]	
Based on diluted EPS for Financial Year ended March 31, 2025		

*To be computed post finalisation of Price Band

C. Industry Peer Group P/E ratio

Particulars	P/E Ratio
Highest	76.92
Lowest	76.92
Industry Composite	76.92

Notes:

- (1) We have only one listed industry peer i.e. Sheela Foam Limited. The industry highest and lowest have been considered from the industry peer set. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.
- (2) P/E Ratio has been computed based on the closing market price of equity shares on BSE on October 10, 2025, divided by the Diluted EPS.
- (3) All the financial information for Sheela Foam Limited mentioned above is sourced from the audited consolidated financial statements for Fiscal 2025, as available on the websites of the stock exchanges.

D. Return on Net Worth (“RoNW”)

Fiscal Year / Period Ended	RoNW (%)	Weight
Financial Year ended March 31, 2025	11.82%	3
Financial Year ended March 31, 2024	3.21%	2
Financial Year ended March 31, 2023	(4.60%)	1
Weighted Average	6.21%	
Three months period ended June 30, 2025*	1.40%	

*Not annualised.

Notes:

- (1) Weighted average return on Net Worth = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. [(Return on Net Worth x Weight) for each year] / [Total of weights]
- (2) Return on Net Worth (%) is computed as profit/(loss) for the period/year divided by Net Worth as at the end of the period/year. As per Regulation 2(1)(hh) of SEBI ICDR Regulations, as amended, Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated consolidated statement of assets and liabilities, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Further, Net Worth is calculated as sum of equity share capital and other equity excluding capital reserve, other comprehensive income and demerger deficit reserve. For details of reconciliation of Non-GAAP Measures used in this Draft Red Herring Prospectus, see “Other Financial Information – Non-GAAP Financial Measures” on page 347.

E. Net Asset Value (“NAV”) per equity share of face value ₹1 each

Period	NAV
As on June 30, 2025*	42.12
After the Offer	
- At the Floor Price	[●]*
- At the Cap Price	[●]*
- At the Offer Price	[●]#

*To be computed after finalization of Price Band.

#To be determined on conclusion of the Book Building Process.

Notes:

- (1) Net Asset Value per equity share represents Net Worth at the end of the period/ year divided by number of equity shares outstanding at the end of the period/year end. Number of equity shares outstanding at the end of the period/year is an aggregate of number of equity shares considering dilutive number of shares and adjusted for equity shares issued due to stock split during the period / year and bonus issue of equity shares.
- (2) As per Regulation 2(1)(hh) of SEBI ICDR Regulations, as amended, Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated consolidated statement of assets and liabilities, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Further, Net Worth is calculated as sum of equity share capital and other equity excluding capital reserve, other comprehensive income and demerger deficit reserve.

For details of reconciliation of Non-GAAP Measures used in this Draft Red Herring Prospectus, see “Other Financial Information – Reconciliation of Non-GAAP Financial Measures” on page 347.

F. Comparison of accounting ratios with listed industry peers

Following table provides comparison of our accounting ratios with the listed industry peer. Our company's major revenue comes from mattress & foam business and we have only one domestic player who is listed in India with a revenue of more than ₹10,000 million in Fiscal 2025 i.e. Sheela Foam Limited. Global listed industry peers are not comparable to the size of our business.

Name of Company	Face value (₹)	Revenue from operations (₹ million)	Closing market price	Price to earning	EPS (basic) (₹)	EPS (diluted) (₹)	Return on Net Worth (%)	NAV per share (₹)
Our Company*	1.00	11,342.50	[●]	[●] [#]	4.93	4.93	11.82%	41.67
Listed peer								
Sheela Foam Limited	5.00	34,391.90	679.95	76.92	8.84	8.84	3.19%	278.84

Source: All the financial information for Sheela Foam Limited is on a consolidated basis and is sourced from the financial information of Sheela Foam Limited available on the website of the stock exchanges for the Financial Year ended March 31, 2025. Further, the manner of computing certain ratios here may be different from the computation used by the Company and may not provide a right comparison to investors.

*Sourced from the Restated Consolidated Financial Information for the financial year ended March 31, 2025.

To be included in respect of the Company in the Prospectus based on the Offer Price.

(1) Basic /Diluted EPS for peer refers to the Basic/Diluted EPS sourced from the financial statements of Sheela Foam Limited for the financial year ended March 31, 2025.

(2) P/E Ratio has been computed based on the closing market price of equity shares on BSE on October 10, 2025, divided by the Diluted EPS.

(3) Return on Net Worth (%) is computed as profit/(loss) for the period/year divided by Net Worth as at the end of the period/year. As per Regulation 2(1)(hh) of SEBI ICDR Regulations, as amended, Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated consolidated statement of assets and liabilities, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

Further, Net Worth is calculated as sum of equity share capital and other equity excluding capital reserve, other comprehensive income and demerger deficit reserve.

(4) Net Asset Value per equity share represents Net Worth at the end of the period/ year divided by number of equity shares outstanding at the end of the period/year end. Number of equity shares outstanding at the end of the period/year is an aggregate of number of equity shares considering dilutive number of shares and adjusted for equity shares issued due to stock split during the period / year and bonus issue of equity shares.

For details of reconciliation of Non-GAAP Measures used in this Draft Red Herring Prospectus, see "Other Financial Information – Non-GAAP Financial Measures" on page 347.

G. Key Performance Indicators ("KPIs")

The table below sets forth the details of our KPIs that our Company considers have a bearing for arriving at the basis for Offer Price. The KPIs disclosed below have been approved and confirmed by a resolution of our Audit Committee dated October 15, 2025 and the Audit Committee has confirmed that except as disclosed in this Draft Red Herring Prospectus, no KPIs have been disclosed by our Company to any investors at any point of time during the three years prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs disclosed herein have been subject to verification and certification by P K Shah & Co, pursuant to certificate dated October 15, 2025 which has been included in "Material Contracts and Documents for Inspection – Material Documents" on page 482. The KPIs that have been consistently used by the management to analyse, track and monitor the operational and financial performance of our Company and were presented in the past meetings of our Board or shared with the investors during the three years preceding the date of the Draft Red Herring Prospectus, which have been consequently identified as relevant and material KPIs and are disclosed in this "Basis for Offer Price" section.

In addition to the above, the Audit Committee also noted that other than the below mentioned KPIs:

- there is certain data which have not been disclosed in this Draft Red Herring Prospectus as these data is either used for internal analysis, sensitive to the business and operations, not critical or relevant for analysis of our financial and operational performance or subsumed within the identified KPIs or not verifiable or auditable or such items do not convey any meaningful information to determine performance/ valuation of our Company; and
- there is certain data which is included in the business description in this Draft Red Herring Prospectus which are purely operational in nature and are not considered to be performance indicators or deemed to have a bearing on the determination of Offer price. For details, see "Our Business" on page 185.

We have described and defined the KPIs, as applicable, in the section "Definitions and Abbreviations" on page 17.

The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once a year (or any lesser period as may be determined by our Board), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchanges or till the utilisation of the Offer Proceeds as per the disclosure made in the section “*Objects of the Offer*” starting on page 116 of this Draft Red Herring Prospectus, whichever is later, or for such other duration as required under the SEBI ICDR Regulations.

Details of our KPIs for Fiscals 2025, 2024, 2023 and for the three months period ended June 30, 2025, are set out below:

Sr. No.	Particulars	Unit	Duroflex Limited			
			As at and for the three months period ended June 30, 2025	As at and for the year ended March 31, 2025	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023
GAAP Measures						
1.	Revenue from operations ⁽¹⁾	₹ million	2,925.19	11,342.50	10,952.96	10,574.87
2.	Revenue from operations growth ⁽²⁾	%	Not Applicable*	3.56%	3.58%	Not Applicable*
3.	Profit / (Loss) for the period / year ⁽³⁾	₹ million	56.39	471.63	112.00	(154.74)
4.	Net cash generated from operating activities ⁽⁴⁾	₹ million	193.85	1,082.03	471.60	704.05
5.	Product category wise revenue ⁽⁵⁾					
	Mattress	₹ million	1,601.13	5,830.68	5,672.62	5,873.29
	Branded foam	₹ million	1,075.11	4,465.31	4,011.04	3,563.14
	Furniture	₹ million	151.95	610.22	760.00	522.24
	Accessories	₹ million	69.29	338.58	422.10	463.03
6.	Advertisement and sales promotion expenses as a percentage of revenue from operations ⁽⁶⁾	%	5.49%	6.44%	7.76%	7.18%
Non-GAAP Measures**						
7.	Gross profit ⁽⁷⁾	₹ million	1,288.47	4,871.54	4,822.10	4,524.56
8.	Gross profit margin ⁽⁸⁾	%	44.05%	42.95%	44.03%	42.79%
9.	EBITDA ⁽⁹⁾	₹ million	211.68	979.79	627.38	568.52
10.	PAT Margin ⁽¹⁰⁾	%	1.93%	4.16%	1.02%	(1.46%)
11.	EBITDA Margin ⁽¹¹⁾	%	7.24%	8.64%	5.73%	5.38%
12.	EBITDA growth ⁽¹²⁾	%	Not Applicable*	56.17%	10.35%	Not Applicable*
13.	Return on equity ("RoE") ⁽¹³⁾	%	1.43%^	12.72%	3.28%	(4.47%)
14.	Return on capital employed ("ROCE") ⁽¹⁴⁾	%	2.89%^	14.90%	5.59%	2.63%
15.	Net working capital days ⁽¹⁵⁾	Days	9.53	12.18	13.84	18.61
Operational Measures						
16.	Product category wise volume ⁽¹⁶⁾					
	Mattress	Units	2,35,932	7,98,021	7,56,797	8,03,284
	Branded foam	Tonnage	5,477	21,290	18,344	15,260

Sr. No.	Particulars	Unit	Duroflex Limited			
			As at and for the three months period ended June 30, 2025	As at and for the year ended March 31, 2025	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023
	Furniture	Units	10,975	45,911	63,578	41,486
17.	COCO Stores at the end of the period/year ⁽¹⁷⁾	Number	73	71	68	54
18.	Trade stores ⁽¹⁸⁾	Number	5,576	5,408	5,226	4,156
19.	Channel wise revenue ⁽¹⁹⁾					
	Revenue from offline channel	%	82.00%	83.02%	76.81%	77.19%
	Revenue from online channel	%	18.00%	16.98%	23.19%	22.81%

Notes:-

- (1) Revenue from operations is the revenue from operations for the period/year.
- (2) Growth of revenue from operations is calculated as revenue from operations of the relevant fiscal year less revenue from operations of the corresponding previous fiscal year, divided by revenue from operations of the corresponding previous fiscal year multiplied by 100.
- (3) Profit / (loss) for the period / year.
- (4) Net cash generated from operating activities.
- (5) Product category wise revenue represents the disaggregation of product sales by major product categories.
- (6) Advertisement and sales promotion expenses as a percentage of revenue from operations is computed as advertisement and sales promotion expenses for the period/year as a percentage of revenue from operations for the period/year.
- (7) Gross profit is calculated as revenue from operations less cost of goods sold. Cost of goods sold is the sum of cost of materials consumed, purchase of stock-in-trade and changes in inventories of finished goods, semi-finished goods and stock in trade (excluding certain other direct expenses such as employee benefit expenses and other expenses).
- (8) Gross profit margin is calculated as gross profit divided by revenue from operations.
- (9) EBITDA is calculated as profit/(loss) for the period/year plus tax expense plus finance costs plus depreciation and amortisation expense.
- (10) PAT Margin is calculated as profit / (loss) for the period/year as a percentage of revenue from operations.
- (11) EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations.
- (12) Growth of EBITDA is calculated as EBITDA of the relevant fiscal year less EBITDA of the corresponding previous fiscal year, divided by EBITDA of the corresponding previous fiscal year multiplied by 100.
- (13) Return on equity is calculated as profit/(loss) for the period/year attributable to owners of the Company divided by average total equity attributable to owners of the Company as at period/year end.
- (14) Return on capital employed is calculated as (earnings before interest and taxes("EBIT")) divided by capital employed. EBIT is calculated as profit/(loss) for the period/year attributable to owners of the Company plus tax expenses plus finance costs. Capital employed being computed as the sum of total equity and current and non-current borrowings less goodwill and other intangible assets, intangible assets under development and deferred tax assets.
- (15) Net working capital days is calculated as (average net working capital divided by revenue from operations)*no. of days in the year. However, for the three months period ended June 30, 2025, net working capital days is calculated as (average net working capital divided by revenue from operations)*91. Net working capital is calculated as inventories plus trade receivables minus trade payables. Average net working capital is calculated as the (net working capital as of the current year/period + net working capital as of the previous year/period)/2
- (16) Product category wise volume is calculated as the total volume of mattress, branded foam and furniture sold in the relevant period / year.
- (17) COCO Stores at the end of the relevant period is the total number of operational COCO stores at the end of relevant period/year.
- (18) Trade stores is calculated as sum of total trade stores at the end of relevant period/ year.
- (19) Channel revenue is calculated as revenue from offline / online channel for the period / year as a percentage of revenue from operations.

As certified by P K Shah & Co, Chartered Accountants, having firm registration number 308150E, by their certificate dated October 15, 2025.

^Not annualized

*Not been included as the comparative period figures for FY 2023 and three-months period ended June 30, 2025 has not been included in this Draft Red Herring Prospectus

** For details of reconciliation of Non-GAAP Measures used in this Draft Red Herring Prospectus, see "Other Financial Information – Non-GAAP Financial Measures" on page 347

H. Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance,

liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for Bidders to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

Bidders are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

Key metrics	Explanation of the KPIs
Revenue from operations	Revenue from operations is used by the management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of the business.
Revenue from operations growth	Growth of revenue from operations represents year-on-year growth of the business operations in terms of revenue from operations generated by our Company.
Profit / (Loss) for the period / year	Profit / (loss) for the year provides information regarding the overall profitability of our business.
Net cash generated from operating activities	Operating cashflow is the cash a company generates or uses from its day-to-day core business operations over a specific period.
Product category wise revenue	Product category wise revenue bifurcation (i.e. mattress, branded foam, furniture and accessories) is used by the management to track the revenue profile of each category and hence is relevant for understanding the business.
Advertisement and sales promotion expenses as a percentage of revenue from operations	This ratio helps assess the scalability of our marketing model and the sustainability of our growth strategy.
Gross profit	Gross profit represents profitability of our core operations before considering other expenses, finance costs, depreciation and taxes. It reflects the efficiency of our manufacturing and sourcing processes, pricing strategy, and product mix.
Gross profit margin	Gross profit margin measures gross profit as a percentage of revenues from operations. This ratio highlights how efficiently we manage input costs relative to sales.
EBITDA	EBITDA provides information regarding the operational efficiency of the business.
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of our business.
EBITDA Margin	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
EBITDA growth	Growth of EBITDA represents year-on-year growth of the EBITDA generated by our company.
Return on equity ("RoE")	Return on equity provides how efficiently the Company generates profits from shareholders' funds.
Return on capital employed ("ROCE")	Return on capital employed provides how efficiently the Company generates earnings from the capital employed in the business.
Net working capital days	Net working capital days helps to evaluate the average number of days it takes for a business to convert its net working capital into revenue.
Product category wise volume	Product category wise volume helps to track volume of each of our product category.
COCO Stores at the end of the period/year	Provides information regarding the total COCO stores presence of our company at the end of the period/year.
Trade stores	Trade stores helps to ascertain the overall footprint of the company across India.
Channel wise revenue	Channel wise revenue bifurcation (i.e. online, offline) is used by the management to track the revenue profile from channels and hence is relevant for understanding the business.

I. Comparison of KPIs based on additions or dispositions to our business

Our Company has not made any additions or dispositions to its business during the three months period ended June 30, 2025, and Fiscals 2025, 2024 and 2023.

J. Comparison of our KPIs with listed industry peer for the Financial Years/periods disclosed in this Draft Red Herring Prospectus

Set forth below is a comparison of our KPIs with our peer group company listed in India, for the three months ended June 30, 2025, and years ended March 31, 2025, 2024, 2023:

Sr. No.	Particulars	Unit	Duroflex Limited				Sheela Foam Limited			
			As at and for the three months period ended June 30, 2025	As at and for the year ended March 31, 2025	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023	As at and for the three months period ended June 30, 2025	As at and for the year ended March 31, 2025	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023
GAAP Measures										
1.	Revenue from operations	₹ million	2,925.19	11,342.50	10,952.96	10,574.87	8,214.10	34,391.90	29,823.10	28,733.20
2.	Revenue from operations growth	%	Not Applicable*	3.56%	3.58%	Not Applicable*	Not Applicable*	15.32%	3.79%	Not Applicable*
3.	Profit / (Loss) for the period / year	₹ million	56.39	471.63	112.00	(154.74)	71.60	967.00	1,839.30	2,008.40
4	Net cash generated from operating activities	₹ million	193.85	1,082.03	471.60	704.05	N.A.	2,523.30	4,059.50	2,175.60
5	Product category wise revenue ⁽⁵⁾									
	Mattress	₹ million	1,601.13	5,830.68	5,672.62	5,873.29	3,200.00	13,770.00	10,530.00	8,740.00
	Branded foam	₹ million	1,075.11	4,465.31	4,011.04	3,563.14	2,890.00	11,810.00	10,710.00	10,480.00
	Furniture	₹ million	151.95	610.22	760.00	522.24	N.A.	N.A.	N.A.	N.A.
	Accessories	₹ million	69.29	338.58	422.10	463.03	N.A.	N.A.	N.A.	N.A.
6	Advertisement and sales promotion expenses as a percentage of revenue from operations	%	5.49%	6.44%	7.76%	7.18%	N.A.	5.70%	5.47%	5.40%
Non-GAAP Measures**										
7	Gross profit	₹ million	1,288.47	4,871.54	4,822.10	4,524.56	3,664.50	14,335.70	12,321.60	10,854.30
8	Gross profit margin	%	44.05%	42.95%	44.03%	42.79%	44.61%	41.68%	41.32%	37.78%
9	EBITDA	₹ million	211.68	979.79	627.38	568.52	750.00	2,860.00	3,010.00	2,970.00
10	PAT Margin	%	1.93%	4.16%	1.02%	(1.46%)	0.87%	2.81%	6.17%	6.99%
11	EBITDA Margin	%	7.24%	8.64%	5.73%	5.38%	9.13%	8.32%	10.09%	10.34%
12	EBITDA growth	%	Not Applicable*	56.17%	10.35%	Not Applicable*	Not Applicable*	(4.98%)	1.35%	Not Applicable*
13	Return on equity ("RoE")	%	1.43%^	12.72%	3.28%	(4.47%)	N.A.	3.40%	6.08%	13.30%

14	Return on capital employed ("ROCE")	%	2.89%^	14.90%	5.59%	2.63%	N.A.	5.80%	7.90%	14.82%
15	Net working capital days	Days	9.53	12.18	13.84	18.61	N.A.	N.A.	N.A.	N.A.
Operational Measures										
16	Product category wise volume ⁽⁵⁾									
	Mattress	Units	2,35,932	7,98,021	7,56,797	8,03,284	8,13,000	33,08,000	21,74,000	20,34,000
	Branded foam	Tonnage	5,477	21,290	18,344	15,260	11,353	45,988	42,292	33,660
	Furniture	Units	10,975	45,911	63,578	41,486	N.A.	N.A.	N.A.	N.A.
17	COCO Stores at the end of the period/year	Number	73	71	68	54	29	N.A.	N.A.	N.A.
18	Trade stores	Number	5,576	5,408	5,226	4,156	22,000	19,000	18,000	13,100
19	Channel wise revenue									
	Revenue from offline channel	%	82.00%	83.02%	76.81%	77.19%	N.A.	N.A.	N.A.	N.A.
	Revenue from online channel	%	18.00%	16.98%	23.19%	22.81%	N.A.	N.A.	N.A.	N.A.

Notes

(1) All figures considered are consolidated and have been taken as reported by Sheela Foam Limited in their filings unless specified;

(2) N.A. refers to Not Applicable where the information is unavailable i.e. neither available on their website nor reported by the industry peer in either their annual reports, audited financial results and investor presentations as submitted to the Stock Exchanges

(3) Owing to the difference in the units across filings of company and the KPI table units, there has been some rounding off in the aforementioned values for a few metrics that might vary from the actuals;

(4) To the extent that the Sheela Foam Limited have published the above ratios or financial information in their regulatory filings/ website, the same have been disclosed on an as is basis and may not be comparable to the method of computation used by us

(5) For Sheela Foam Product category wise revenue and volume include revenue from India Business only.

^ Not Annualised

*Not been included as the comparative period figures for FY 2023 and three-months period ended June 30, 2025 has not been included in this Draft Red Herring Prospectus

** For details of reconciliation of Non-GAAP Measures used in this Draft Red Herring Prospectus, see "Other Financial Information – Non-GAAP Financial Measures" on page 347.

K. Weighted average cost of acquisition ("WACA"), floor price and cap price

- a) Price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under the ESOP Schemes and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")

Date of Allotment	Name of allottees	Nature of security transferred	Number of Equity Shares	Transaction as a % of fully diluted capital of the Company (calculated based on the pre-issue capital before such transaction/s)	Price per Equity Share (₹)	Total Cost	Weighted average cost of acquisition based on primary issue of Equity Shares
Not applicable							
Weighted Average Cost of Acquisition (WACA) (Primary Issuances) (₹ per Equity Share)							Not applicable

- b) Price per share of our Company (as adjusted for corporate actions, including bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving any of the Promoters,

members of the Promoter Group, Selling Shareholders or Shareholders with the right to nominate directors on our Board during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Secondary Transactions”)

Date of secondary transaction	Name of Transferor	Name of Transferee	Nature of Consideration	Reason for Transfer	No. of Equity Shares	% of paid up capital (on fully diluted basis)	Cost per Equity Share (including securities premium) (₹)*
Not applicable							
Weighted average price							Not applicable

*Since there were no secondary sale or acquisition of shares (equity or convertible securities) during the eighteen months prior to the date of this certificate (excluding gifts) and where such sale or acquisition was equal to or more than 5% of fully diluted paid up share capital of the Company. Hence, no transaction has been reported.

- c) If there are no such transactions to report under (a) and (b) above, the following are the details of the price per share of the Company basis the last five primary or secondary transactions (secondary transactions where the Promoters, members of the Promoter Group, Other Selling Shareholders or other Shareholder(s) having the right to nominate director(s) on the Board, are a party to the transaction), not older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions

Date of secondary transaction	Name of Transferor	Name of Transferee	Nature of Consideration	Reason for Transfer	No. of Equity Shares	% of paid up capital (on fully diluted basis)	Cost per Equity Share (including securities Premium) (₹)*
September 8, 2025	Coco-Latex Exports Private Limited	Mathew Chandy	Transfer	N.A as cash transfer	100,000	0.10%	72.00
September 8, 2025	Coco-Latex Exports Private Limited	Mathew George	Transfer	N.A as cash transfer	100,000	0.10%	72.00
September 8, 2025	Coco-Latex Exports Private Limited	Mathew Antony Joseph	Transfer	N.A as cash transfer	100,000	0.10%	72.00
September 8, 2025	Coco-Latex Exports Private Limited	Jacob Joseph George	Transfer	N.A as cash transfer	100,000	0.10%	72.00
Total number of Equity Shares					400,000		72.00
Total consideration							28,800,000
Weighted average price							72.00

- d) The Floor Price is [●] times and the Cap Price is [●] times the weighted average cost of acquisition based on the primary/secondary transactions described in I above and are disclosed below:

Type of transactions	Weighted average cost of acquisition per Equity Share (₹)#	Floor Price ₹[●]*	Cap Price ₹[●]*
Weighted average cost of acquisition of specified securities based on Primary Issuances according to (a) above	[●]	[●]	[●]
Weighted average cost of acquisition of specified securities based on Secondary Transactions according to (b) above	[●]	[●]	[●]

* To be updated at the Prospectus stage.

As certified by P K Shah & Co, Chartered Accountants, having firm registration number 308150E, by their certificate dated [●].

- e) **Justification for Basis of Offer price**

1. **The following provides an explanation to the Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by the Selling Shareholders or other shareholders with rights to nominate directors on our Board by way of primary and secondary transactions in the last three full Financial Years preceding the date of this Draft Red Herring Prospectus compared to our Company's KPIs and financial ratios for the three months period ended June 30, 2025 and Financial Years 2025, 2024 and 2023 and in view of external factors, if any.**

[●]*

** To be included in the Price Band.*

2. **The following provides an explanation to the Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired by the Selling Shareholders or other shareholders with the right to nominate directors on our Board by way of primary and secondary transactions in view of external factors, if any.**

[●]*

** To be included in the Price Band*

The Offer Price of ₹[●] has been determined by our Company, in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building process. Bidders should read the abovementioned information along with “Risk Factors”, “Our Business” and “Financial Information” on pages 32, 185 and 269, respectively, to have a more informed view.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

REPORT ON STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

The Board of Directors

Duroflex Limited (formerly known as Duroflex Private Limited)

30/6, NR Trident Tech Park,
Sector 6, HSR Main Road, HSR Layout,
Bengaluru, Karnataka, 560068, India

Date: 15 October 2025

Subject: Statement of possible special tax benefits (“the Statement”) available to Duroflex Limited (Formerly known as Duroflex Private Limited) (“the Company”), its shareholders and its material subsidiary audited by us, prepared in accordance with the requirement under Schedule VI – Part A - Clause (9) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“the ICDR Regulations”)

This report is issued in accordance with the terms of our engagement letter dated 7 August 2025 and subsequent addendum dated 6 October 2025.

We hereby report that the enclosed Annexure II prepared by the Company, initialed by us for identification purpose, states the possible special tax benefits available to the Company, its shareholders and its material subsidiary audited by us (“Material Subsidiary”), which is defined in Annexure I (List of Material Subsidiary Audited by Us and Considered As Part Of The Statement), under direct and indirect taxes (together the “Tax Laws”), presently in force in India as on the signing date, which are defined in Annexure III (List of Direct and Indirect Tax Laws (‘Tax Laws’)) prepared by the Company, initialed by us for identification purpose. These possible special tax benefits are dependent on the Company, its shareholders and its Material Subsidiary fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company, its shareholders and its Material Subsidiary to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company and its Material Subsidiary may face in the future and accordingly, the Company, its shareholders and its Material Subsidiary may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure II cover the possible special tax benefits available to the Company, its shareholders and its Material Subsidiary and do not cover any general tax benefits available to the Company, its shareholders and its Material Subsidiary. Further, the preparation of the enclosed Annexure II and its contents is the responsibility of the management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company (the “Proposed Offer”) particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (“Guidance Note”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. Our scope of work did not involve performance of any audit test in this context of our examination. Accordingly, we do not express an audit opinion.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We do not express any opinion or provide any assurance as to whether:

- i) the Company, its shareholders and its Material Subsidiary will continue to obtain these possible special tax benefits in future; or

- ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company and its Material Subsidiary, and on the basis of our understanding of the business activities and operations of the Company and its Material Subsidiary.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company or Material Subsidiary for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company or Material Subsidiary and any other person in respect of this report, except as per applicable laws.

We hereby give consent to include this report in the Draft Red Herring Prospectus and in any other material used in connection with the Proposed Offer, and it is not to be used, referred to or distributed for any other purpose without our prior written consent

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Vikash Gupta

Partner

Place: Bengaluru

Date: 15 October 2025

Membership No: 064597

UDIN: 25064597BMOXSP6166

ANNEXURE I

LIST OF MATERIAL SUBSIDIARY AUDITED BY US AND CONSIDERED AS PART OF THE STATEMENT (Note 1)

1. Shivaarna Technofoams Private Limited

Note 1: Material subsidiary identified in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, includes a subsidiary whose turnover or net worth in the immediately preceding year 31 March 2025 exceeds 10% of the consolidated turnover or consolidated net worth respectively, of the Group (Company and all of its subsidiaries are together referred to as “**Group**”) in the immediate preceding year.

ANNEXURE II

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO DUROFLEX LIMITED (FORMERLY KNOWN AS DUROFLEX PRIVATE LIMITED) ("THE COMPANY"), ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARY UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES ("TAX LAWS")

Outlined below are the Possible Special Tax Benefits available to the Company, its shareholders and its Material Subsidiary under the Tax Laws. These Possible Special Tax Benefits are dependent on the Company, its shareholders and its Material Subsidiary fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company, its shareholders and its Material Subsidiary to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

UNDER THE TAX LAWS

A. Possible Special tax benefits available to the Company

Direct Tax Laws:

- i) Lower corporate tax rate under Section 115BAA of the IT Act
The Taxation Laws (Amendment) Act, 2019 introduced Section 115BAA of the Income-tax Act, 1961 ("IT Act") wherein domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge of 10% and cess of 4%) on fulfillment of certain conditions. The option to apply this tax rate was available from Financial Year ("FY") 2019-20 relevant to Assessment Year ("AY") 2020-21 and the option once exercised shall apply to subsequent AYs. The concessional rate is subject to a company not availing any of the following deductions under the provisions of the IT Act:
 - Section 10AA of the IT Act: Tax holiday available to units in a Special Economic Zone;
 - Section 32(1)(iia) of the IT Act: Additional depreciation;
 - Section 32AD of the IT Act: Investment allowance;
 - Section 33AB/33ABA of the IT Act: Tea coffee rubber development expenses/site restoration expenses;
 - Section 35(1)(i)(iia)(iii)/35(2AA)/35(2AB) of the IT Act: Expenditure on scientific research;
 - Section 35AD of the IT Act: Deduction for capital expenditure incurred on specified businesses;
 - Section 35CCC/35CCD of the IT Act: expenditure on agricultural extension /skill development; and
 - Chapter VI-A except for the provisions of Section 80JJAA of the IT Act and Section 80M of the IT ActFurther, provisions of Minimum Alternate Tax ("MAT") under Section 115JB of the IT Act shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also cannot be claimed.

The Company has opted to apply section 115BAA of the IT Act from AY 2020-21
- ii) The Company is eligible to claim deduction for dividends received from domestic/foreign companies or business trusts, up to the amount distributed before the income-tax return filing due date specified under Section 139(1) of the IT Act under Section 80M of the IT Act.
- iii) The Company is eligible to claim 30% of additional employee cost deductible for a period of three assessment years, subject to satisfaction of conditions under Section 80JJAA of the IT Act.
- iv) Deduction in respect of merger/demerger expenditure – Section 35DD of the Act
In accordance with and subject to the fulfilment of conditions as laid out under section 35DD of the Act, the company may be entitled to amortize expenditure incurred wholly and exclusively for the purposes of amalgamation or demerger of an undertaking, expenditure as prescribed under section 35DD of the Act. The deduction is allowable for an amount equal to one-fifth of such expenditure for each of five successive previous years beginning with the previous year in which the amalgamation or demerger takes place. The company has claimed this deduction.

Indirect Tax Laws:

The following special tax benefits are available to the Company under the Indirect Tax Laws:

- i) The Company is availing the benefit of zero rated supply as per Section 16 of The Integrated Goods and Services Tax Act, 2017 on supply of goods for authorized operations to a Special Economic Zone developer or a Special Economic Zone unit subject to fulfilment of conditions and procedures as prescribed in relevant notifications.

- ii) The Company is availing the benefit of exemption from payment of tax on zero rated supply of goods effected against Letter of Undertaking (LUT), in terms of Section 2(6) of the IGST Act, 2017.
- iii) The Company is availing rebate of taxes / duties on inputs under Remission of Duties and Taxes on Exported Products ("RoDTEP") scheme at the applicable rates subject to fulfilment of conditions and procedures as prescribed in relevant notifications.
- iv) The Company is availing the benefit of duty drawback on the duties paid on inputs used in the manufacture of export goods at the All-Industry Rate (AIR) on the FOB value of exports where the rate or amount of drawback has not been specifically determined for the goods exported subject to fulfilment of conditions and procedures as prescribed in relevant notifications.
- v) The Company is availing Exemption from basic customs duty on import of goods under Preferential Trade Agreements between ASEAN and India in terms of Notification No. 46/2011 – Customs dt. 01.06.2011, subject to fulfilment of conditions and procedures as prescribed in relevant notifications.
- vi) Company is availing export incentives under Foreign Trade Policy with respect to duty free import of inputs under Advance Authorization scheme subject to fulfilment of conditions and procedures as prescribed in relevant notifications.
- vii) The Company is availing the benefit of Authorized Economic Operator (AEO) Tier 2 which is a trade facilitation scheme.

B. Possible Special tax benefits available to Shareholders

Direct Tax Laws:

- i) **Dividend Income:** Individuals, HUFs, AOPs and BOIs have surcharge on dividends capped at 15%, regardless of dividend amount.
- ii) **Long term capital gains tax:** Long-term Capital Gains from listed equity shares/equity-oriented funds/units of a business trust taxed at 12.5% (without indexation) if conditions are met under Section 112A of the IT Act. Gains up to INR 1,25,000 are tax-free.
- iii) **Short term capital gains tax:** Short-term Capital Gains from listed equity shares/equity oriented funds/units of a business trust taxed at 20%, subject to conditions under Section 111A of the IT Act.
- iv) **Treaty Benefit to Non-resident Shareholders:** In respect of non-resident shareholders, the tax rates and the consequent taxation shall further be subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country of residence of such non-resident shareholders subject to satisfaction of conditions.
- v) **Deduction with respect to STT:** Where the gains arising on transfer of shares of the companies are included in the business income of a shareholder and assessable under the head "Profits and Gains from Business or Profession" and such transfer is subjected to Securities Transaction Tax ("STT"), then such STT shall be a deductible expense from the business income as per the provisions of Section 36(1)(xv) of the IT Act.

Except for the above, the Shareholders of the Company are not entitled to any other special tax benefits under the IT Act.

Indirect Tax Laws:

There are no special tax benefits available to the Shareholders of the Company under Indirect Tax Laws

C. Possible Special tax benefits available to Material Subsidiary- Shivaarna Technofoams Private Limited

Direct Tax Laws:

- i) The Material Subsidiary has not opted benefit provided under Section 115BAA of the Act.
- ii) The Material Subsidiary is entitled to claim deduction for dividends received from domestic/foreign companies or business trusts, up to the amount distributed before the income-tax return filing due date specified under Section 139(1) of the IT Act under Section 80M of the IT Act.
- iii) The Material Subsidiary is entitled to claim 30% of additional employee cost deductible for a period of three assessment years, subject to satisfaction of conditions under Section 80JJAA of the IT Act.

- iv) The Material Subsidiary is entitled to claim deduction in respect of any donations made to approved funds, charitable institutions, etc. subject to satisfaction of conditions therein under Section 80G of the IT Act. However, the deduction under Section 80G of the IT Act is not applicable if the Company opts for concessional tax rate under Section 115BAA of the IT Act.

Indirect Tax Laws:

The following special tax benefits are available to the material subsidiary of the Company under the Indirect Tax Laws:

- i) The Material Subsidiary is availing the benefit of zero-rated supply as per Section 16 of The Integrated Goods and Services Tax Act, 2017 on supply of goods for authorized operations to a Special Economic Zone developer or a Special Economic Zone unit subject to fulfilment of conditions and procedures as prescribed in relevant notifications.
- ii) The Material Subsidiary is availing the benefit of exemption from payment of tax on zero rated supply of goods effected against Letter of Undertaking (LUT), in terms of Section 2(6) of the IGST Act, 2017.
- iii) The Material Subsidiary is availing rebate of taxes / duties on inputs under Remission of Duties and Taxes on Exported Products ("RoDTEP") scheme at the applicable rates subject to fulfilment of conditions and procedures as prescribed in relevant notifications.
- iv) The Material Subsidiary is availing the duty drawback benefits on the duties paid on inputs used in the manufacture of export goods at the All-Industry Rate (AIR) on the FOB value of exports where the rate or amount of drawback has not been specifically determined for the goods exported subject to fulfilment of conditions and procedures as prescribed in relevant notifications.

NOTES:

1. The above is as per the current Tax Laws in force in India.
2. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.
3. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company and Material Subsidiary. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

For Duroflex Limited (formerly known as Duroflex Private Limited)

Jacob Joseph George
Chairman and Managing Director

Place: Bengaluru
Date: 15 October 2025

ANNEXURE III

LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')

Sr. No:	Details of Tax Laws
Direct Tax	
1	Income-tax Act, 1961 and Income-tax Rules, 1962
Indirect Tax	
1	Central Goods and Services Tax Act, 2017, as amended, read with Central Goods and Services Tax Rules, 2017, respective circulars and notifications made thereunder
2	Integrated Goods and Services Tax Act, 2017, as amended, read with Integrated Goods and Services Tax Rules, 2017, respective circulars and notifications made thereunder
3	Relevant State Goods and Services Tax Act, 2017, as amended, read with State Goods and Services Tax Rules, 2017, respective circulars and notifications made thereunder
4	Customs Act, 1962 and Customs Tariff Act, 1975 read with respective rules, circulars and notifications made thereunder
5	Goods and Services Tax (Compensation to States) Act, 2017
6	Foreign Trade Policy 2023 read with Handbook of Procedures 2023
7	Applicable State Value Added Tax and Central Sales Tax Act

For **Duroflex Limited** (formerly known as **Duroflex Private Limited**)

Jacob Joseph George
Chairman and Managing Director

Place: Bengaluru
Date: 15 October 2025

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled “Industry Report on PU Foam, Mattress, Home Comfort Accessories and Furniture Market in India” dated October 13, 2025 (the “TKC Report”) prepared and issued by The Knowledge Company LLP, appointed by us pursuant to an engagement letter dated July 14, 2025 and exclusively commissioned and paid for by us to enable investors to understand the industry in which we operate in connection with the Offer. Unless otherwise indicated, financial, operational, industry and other related information derived from the TKC Report and included herein with respect to any particular calendar year or Fiscal refers to such information for the relevant calendar year or Fiscal. The TKC Report will form part of the material documents for inspection and a copy of the TKC Report is available on the website of our Company at www.duroflexworld.com/pages/investor-relations. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents of the TKC Report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. While preparing the report, The Knowledge Company LLP has also sourced information from publicly available sources, including our Company’s financial statements available publicly. For further information, see “Risk Factors—Certain sections of this Draft Red Herring Prospectus disclose information from the TKC Report which is a paid report and is commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.” on page 59. Also see, “Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data –Industry and Market Data” on page 29.

Overview of Global and Indian Economy

GDP and GDP Growth of Key Global Economies

The global economy is projected to increase from USD 113.8 trillion in CY2025 to USD 137.8 trillion by CY2029, representing a CAGR of 4.9%. Growth will be primarily driven by emerging economies like India (11.1%) and China (6.2%), while developed economies like USA (4.0%), UK (5.2%), Germany (3.4%) and Japan (3.6%) are expected to grow at a slower pace. In CY2024, nominal GDP grew by 4.7% globally with Germany (2.9%), France (3.3%), UK (4.8%), and USA (5.2%) recording steady growth. In contrast, India outpaced global peers, registering a strong 9.8% growth, highlighting its position as a key driver of global economy.

Exhibit 1.1: Nominal GDP Growth rate of Key Economies (%)

Country	CY2024/ FY2025	CY2025E/ FY2026E	CY2029P/FY20 30P	CY2024/ FY2025	CY2025E/ FY2026E	CY2029P/FY20 30P
	Nominal GDP			Nominal GDP Growth Rate		
 USA	28.8	30.5	35.7	5.2%	6.0%	4.0%
 Germany	4.6	4.7	5.4	2.9%	3.3%	3.4%
 Japan	4.1	4.2	4.8	-2.4%	1.9%	3.6%
 UK	3.5	3.8	4.7	4.8%	9.7%	5.2%
 France	3.1	3.2	3.6	3.3%	2.6%	3.2%
 China	18.5	19.2	24.5	4.9%	3.8%	6.2%
 India	3.9	4.3	6.6	9.8%	10.3%	11.1%
World	110.6	113.8	137.8	4.7%	2.9%	4.9%

Source: IMF, The Knowledge Company Analysis

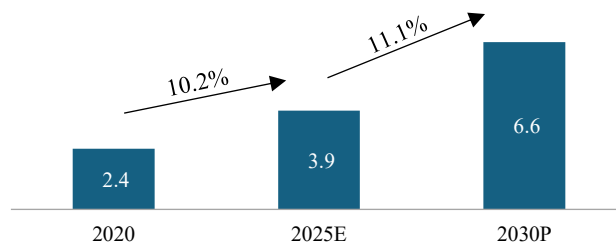
Note: 1 USD= INR 85, For India, CY 2024 refers to FY 2025 data and so on

GDP and GDP Growth- India

India, currently the fifth-largest economy globally (USD 3.9 trillion in FY2025), is one of the world’s fastest growing economies, projected to grow at a CAGR of 11.1% to become the third largest by FY2030 (USD 6.6 trillion), surpassing

Germany and Japan. The GDP expansion is expected to be driven by increased consumer spending, especially in rural India, and favorable demographic dividends (a young population, a rising middle class and increasing female workforce participation).

Exhibit 1.2: India's GDP at Current Prices (Nominal GDP) (In USD Trillion) and GDP Growth Rate (%) (FY)



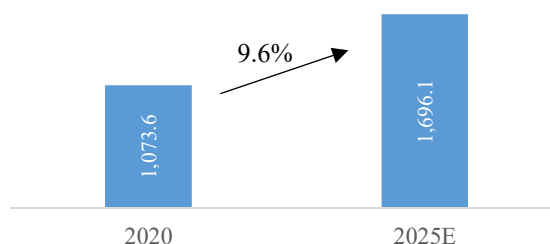
Source: RBI, The Knowledge Company Analysis

Note: 1USD = INR 85

India's Per Capita Final Consumption Expenditure

In FY 2025, the per capita final consumption expenditure was valued at USD 1,696.1 which was a steep increase from USD 1,073.6 in FY 2020. This corresponds to a CAGR of 9.6% over the given period driven by the increase in sectors such as food services, entertainment and hospitality.

Exhibit 1.3: India's Per Capita Consumption Expenditure (Current Prices) and Growth (%) (In USD) (FY)

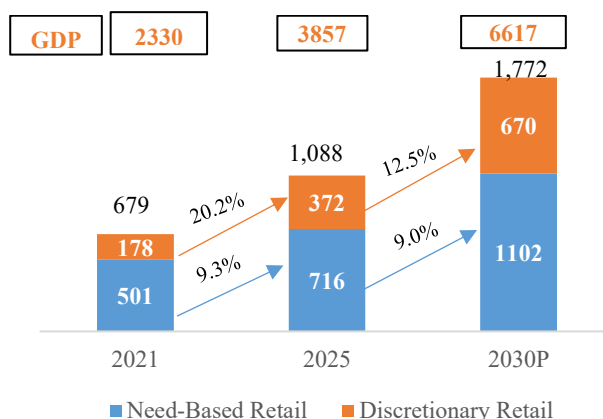


Source: Ministry of Statistics and Program Implementation, The Knowledge Company Analysis

Share of Discretionary Vs Non-Discretionary (Need Based) Retail in India's Consumption Basket

India's retail consumption basket comprising both need-based and discretionary spending has expanded significantly over the years. From FY 2025 to FY 2030, the overall retail consumption basket is projected to grow at a CAGR of 10.3%, reaching approximately USD 1,772 billion by FY 2030. Also, earnings up to INR 12 lakh will be tax-free which will lead to higher take-home salaries and in turn boost consumption. Notably, consumer expenditure on discretionary segments has been surging, driven by rising income levels and improved living standards. This category recorded an impressive CAGR of 20.2% from FY 2021 to FY 2025 and is expected to maintain strong momentum with a projected CAGR of 12.5% between FY 2025 and FY 2030.

Exhibit 1.4: India's Consumption Basket- By Value (in USD Billion) (FY)



Source: The Knowledge Company Analysis, Note: 1 USD= INR 85

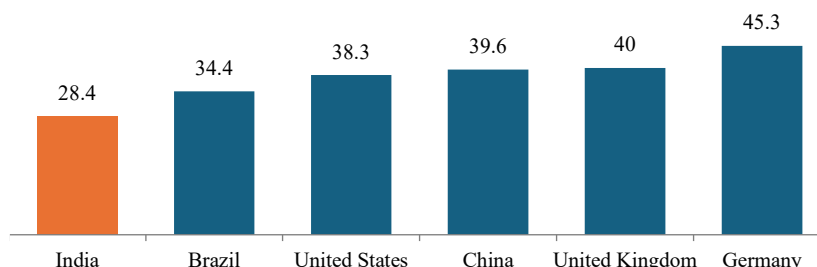
Discretionary includes Apparel & Non-apparel accessories, Consumer Electronics, Home & Living, Footwear, Watches & Jewellery and others while Essential includes Food & Grocery and Pharmacy & Wellness

Key Growth Drivers of the Indian Economy

Favourable Demographic Factors

India's young and rapidly growing population is a key enabler of economic expansion. India's population has been experiencing consistent growth over the years. As of CY2025, India has officially surpassed China to become the most populous country in the world, with an estimated population of 1.45 billion. Projections indicate that this upward trend will continue, with the population expected to reach approximately 1.50 billion by CY2029. The country's median age was 28.4 years in CY2024, well below the US at 38.3 years and China at 39.6 years. This combination of a young, working age population sets India up for a unique demographic dividend and long-term economic potential among large economies. Moreover, India's youthful workforce is also shaping consumer spending preferences towards convenience and modern retail.

Exhibit 1.5: Median Age of Key Economies (CY2024) (in Yrs.)

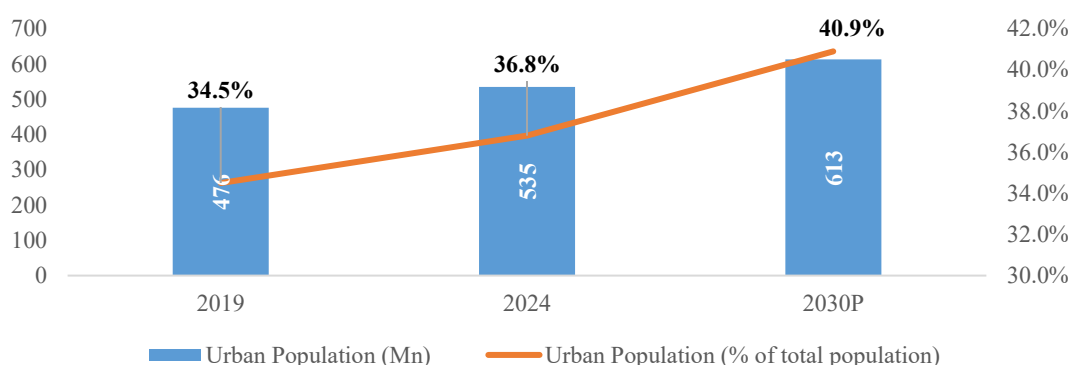


Source: World Population Review, United Nations

Accelerating Urbanisation and Nuclearisation

Urbanisation is emerging as a key driver of India's growth, with urban areas functioning as engines of consumption and economic activity. As of CY2024, India's urban population stood at ~535 million, accounting for ~36.8% of the total population, well below the global average of 58%, yet contributing ~63% to GDP. This share is projected to rise to 40.9% by CY2030, with India housing ~11% of the world's urban population. Parallel to this, India is witnessing a steady shift toward nuclear families, with average household size declining from 5.3 in FY2001 to 4.38 in FY2025 and expected to fall further to 3.9 by FY2030. Such rise in nuclearization is going to drive higher demand for independent housing units and discretionary products.

Exhibit 1.6: India's Urban Population (In Million) and Increasing Urban Population as a Percentage of Total Population Over the Years (CY)



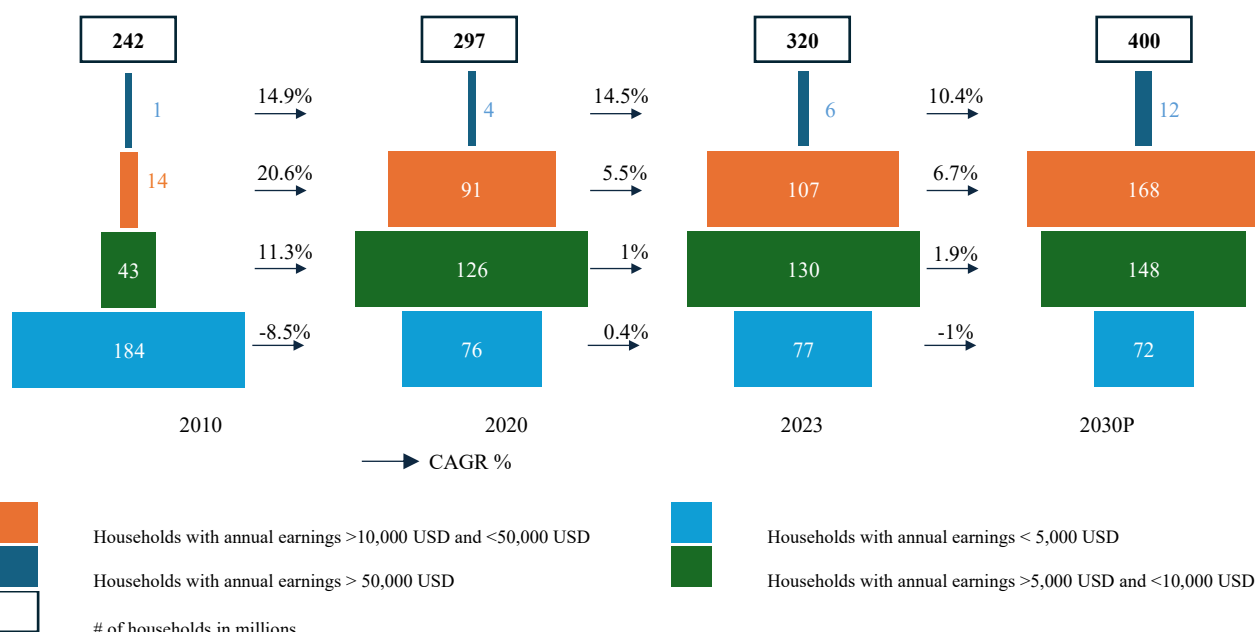
Source: World Bank, The Knowledge Company Analysis

Note: For India, Data for CY 2023 refers to FY 2024 and so on.

India's Income Pyramid is Inverting

India's income distribution is shifting in favour of higher-earning households, leading to increased discretionary spending. The proportion of households earning between USD 10,000 and USD 50,000 annually has grown from 5.8% in Fiscal 2010 to 34.5% in FY2023 and is projected to reach 42% by FY2030. This expanding middle-class and upper-middle-class segment is expected to drive the fuel consumption of premium products across sectors.

Exhibit 1.7: Household Annual Earning Details (Fiscal) (Households in millions)



Source: EIU, The Knowledge Company Estimates; Note: 1 USD= INR 85

Increasing female workforce participation

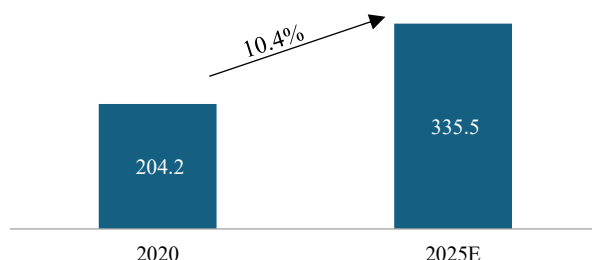
India has witnessed a significant socioeconomic shift, with female workforce participation rising from 23.3% in June 2018 to 41.7% in June 2024, according to the Periodic Labour Force Survey. This increase is driven by higher literacy rates, better education access, expansion of employment opportunities, and targeted government initiatives that actively promote gender inclusion within the economy.

Rising Disposable Income of India

Rising middle- and higher-income households, coupled with growing per capita income, are driving discretionary consumption in India. The country's private final consumption expenditure (PFCE) to GDP rose from 58.5% in FY2013 to 60.2% in FY2024, is estimated at 61.4% in FY2025. As disposable incomes rise, consumers are shifting toward premium, prestige, and luxury

categories, with urbanization, social media influence, and global exposure reshaping aspirations. Supporting this trend, Gross National Disposable Income (GNDI) grew at a 10.4% CAGR from INR 204.2 trillion in FY2020 to reach INR 335.5 trillion in FY2025, reinforcing the outlook for discretionary-led growth.

Exhibit 1.8: India's Disposable Income (GNDI) (FY) (INR Trillion)



Source: RBI, MOSPI, The Knowledge Company Analysis

Note: Data for 2004-2015- Base year 2004-05, Data for 2015 onwards- Base year 2011-12

Overview of Real Estate Market in India

The real estate sector is a critical pillar of India's economy, contributing ~13% to national GDP in FY2025 and serving as a major source of employment generation. The Indian real estate market was valued at INR 46,750 billion in FY2025 and is expected to reach INR 55,250 billion by FY2026. The sector's expansion is supported by favourable macroeconomic conditions, rising urbanization and nuclearization, structural reforms (RERA, GST, REITs, relaxed FDI), and India's growing role as a global hub for IT and business services. Furthermore, the industry is projected to grow at a CAGR of 9.0% between FY 2026 to FY 2030, reaching INR 77,990 billion by FY2030.

The Indian real estate sector is divided into residential and commercial segments. The residential segment accounts for 83% of the market share by value in FY2025, driven by rising home ownership, nuclear families, and premium housing demand. The commercial segment holds the remaining 17% of the market including office spaces, retail spaces, hospitality spaces and public utilities.

Key growth drivers of Real Estate sector

In addition to macroeconomic tailwinds such as rising urbanization, increasing nuclearization of families, rising disposable incomes and premiumisation, the real estate sector is being propelled by several sector-specific drivers:

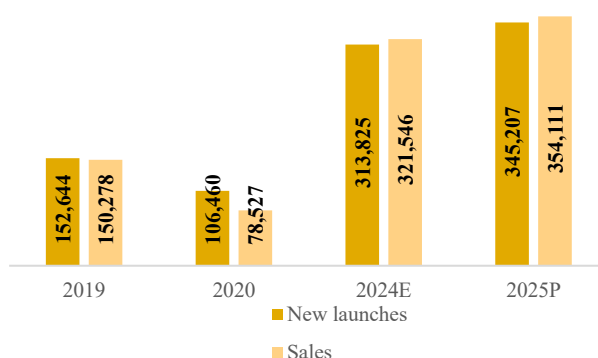
Structural Reforms by the Indian Government to Grow Real Estate- The Indian government has introduced a range of policies designed to enhance the real estate sector. Initiatives such as RERA (transparency in real estate), GST implementation (streamlined tax regime), REITs (widening investment access), the PMAY scheme (affordable housing push), and liberalized FDI norms have enhanced investor confidence and buyer trust in the sector.

Growth in India's Retail and Hospitality Industry: The retail sector is witnessing strong growth, supported by a rising middle class and organized retail infrastructure, with 750+ malls operational in CY2024 and 200 more expected in the next five years. Hospitality is also expanding, with 2.5 million lodging rooms in June 2024, projected to grow to 3.1 million by CY2029, as global and domestic players scale up to meet higher demand.

Residential Segment

India's residential real estate sector, after a brief setback in CY2020 due to COVID-19, has demonstrated strong resilience with sales and launches setting new benchmarks. Residential sales across the top 7 cities surged from 150,278 units in CY2019 to 321,546 units in CY2024, recording a CAGR of ~16.4%. Similarly, new launches rose from 152,644 units to 313,825 units over the same period, reflecting a ~15.5% CAGR. Alongside this growth, the market has witnessed increasing premiumization, with the share of premium and luxury housing rising from 34% in CY 2023 to 43% in CY 2024, as aspirational urban buyers shift toward larger homes and upgraded amenities. Supporting this demand-supply balance, the inventory overhang across the top seven cities declined sharply from 30 months in CY2019 to just 14 months in CY2024, underscoring healthier market conditions and improved developer positioning.

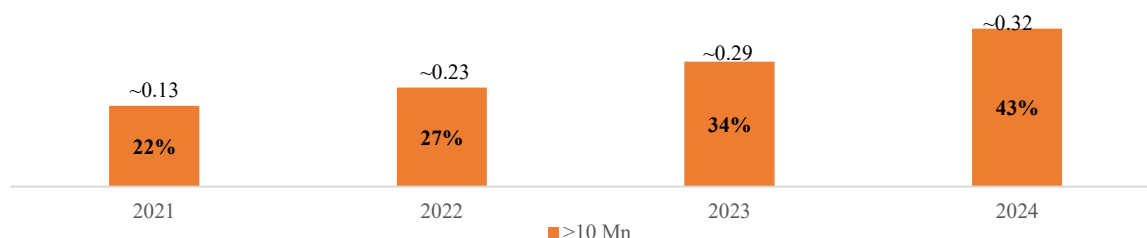
Exhibit 1.9: New home launches and Sales in top 7 cities in India (CY) (number of units)



Source: Secondary Research, The Knowledge Company Analysis

Note-Top 7 cities include MMR (Mumbai Metropolitan Region), Delhi NCR, Bengaluru, Pune, Hyderabad, Chennai and Kolkata, For India, Data for CY 2019 refers to FY 2020 and so on

Exhibit 1.10: Share of premium and luxury segment in residential real estate sales -By Price segment (CY)



Source: Secondary Research, The Knowledge Company Analysis

Housing affordability trends have been mixed in recent years. While CY2022 saw affordability dip due to RBI's rate hikes, inflationary pressures, and housing price escalation, the situation stabilized in CY2023. By CY2024, affordability improved across most markets as income growth and a moderation in price rise supported better purchase capacity, though Delhi NCR and Bengaluru remained under pressure due to continued price appreciation. In CY2025, affordability is projected to strengthen further with a cumulative 50 bps repo rate cut and favourable macroeconomic indicators, which are expected to ease financing conditions and sustain demand momentum in the housing market.

Commercial Segment

The commercial real estate segment, including offices and hospitality spaces, has grown rapidly due to IT/ITES expansion, start-ups, and rising tourism. Such growth is driving increased demand for furniture like sofas, tables, chairs, mattress and bed etc. along with foam production to be used to manufacture these products.

Office Space

The rise of startups and multinational corporations setting up offices in India has bolstered demand for premium commercial spaces. India's office market has seen significant growth from CY 2021 to CY 2023. New supply increased from 45.6 million sq. ft. in CY 2021 to 48.1 million sq. ft in CY2024 whereas net absorption reached 50.0 million sq. ft in CY2024 with a 29% YOY increase from CY2023.

Exhibit 1.11: India Market for Office Space (in million sq. ft) (CY)

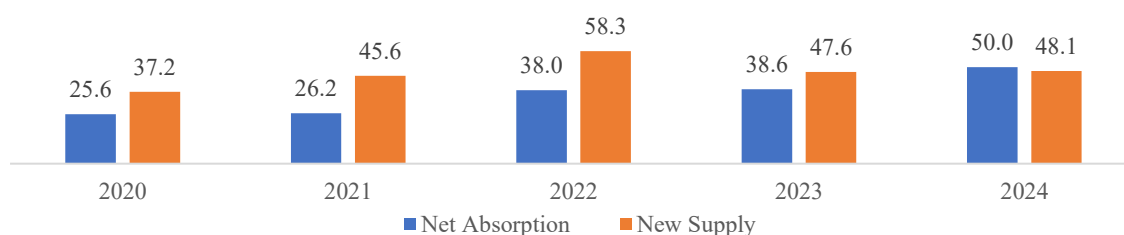


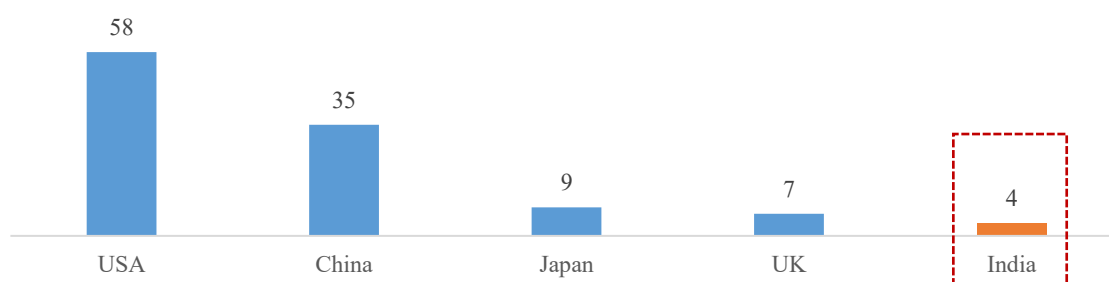
Chart represents aggregate numbers for the seven cities of Delhi NCR, Mumbai, Bengaluru, Chennai, Hyderabad, Pune and Kolkata
Note: Net absorption refers to the total volume of space that has been leased or occupied within a particular market during a defined period.
Source: Secondary Research

Hospitality Space

India has emerged as a key destination for various forms of tourism, including cultural, medical, spiritual, and adventure travel, which has facilitated the growth for domestic and international tourism. As per Ministry of Tourism India the total tourist arrival in India including International and Domestic tourists increased to 18.9 million in CY2023 from 17.9 million in CY2019. The growth of the corporate sector and the increasing globalization of business operations have led to higher demand for business hotels and conference facilities in major cities like Delhi and Mumbai.

In CY2024, India had 4 lakh hotel rooms. In comparison, the US reported 58 lakh rooms in CY2024, China had 35 lakh rooms, Japan had 9 lakh rooms and the UK had 7 lakh rooms. This shows that India's hotel market is underpenetrated and has headroom to expand its room supply in line with global benchmarks driving growth demand for mattress industry.

Exhibit 1.12: Organized Number of Hotel Rooms Across Countries (CY2024) (in Lakhs)



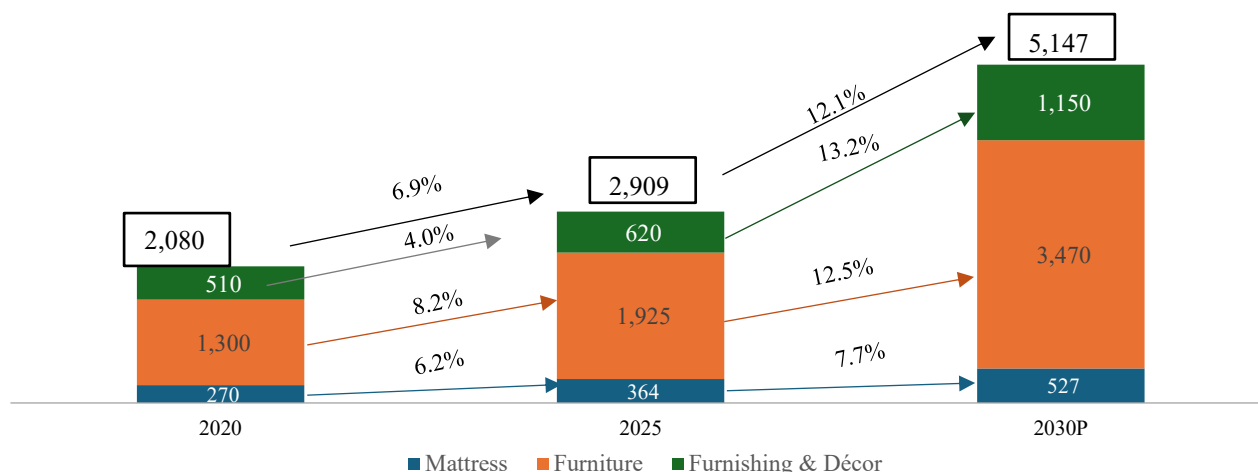
Source: Secondary Research

Overview of Home and Furnishing Market in India

The Indian home and furnishing market has exhibited continuous growth over the years. The market has grown at a CAGR of 6.9% from INR 2,080 billion in FY2020 to INR 2,909 billion in FY2025 and is further expected to grow at a CAGR of 12.1% till FY2030 to reach a market value of INR 5,147 billion. It can be broadly classified into three key categories: mattress, furniture and furnishing & décor. A notable trend shaping the market is evolving consumer behaviour, with the renovation/replacement cycle reducing from ~15 years to ~10 years. This shift is driven by rising aspirations, faster adoption of new technologies, and a growing preference for keeping up with design and lifestyle trends.

India's per capita spend on home and furnishing stands at ~US\$ 24, substantially lower than that of USA (~US\$ 742) and China (~US\$52), thereby indicating immense headroom for growth in future. Currently, home and furnishing account for only about 7–8% of the total home cost in India, compared to 10–12% in the USA, where higher incomes, shorter renovation cycles, and professional design services drive greater allocation.

Exhibit 1.13: Indian Home Furnishing Market – By Value (in INR billion) (FY); CAGR



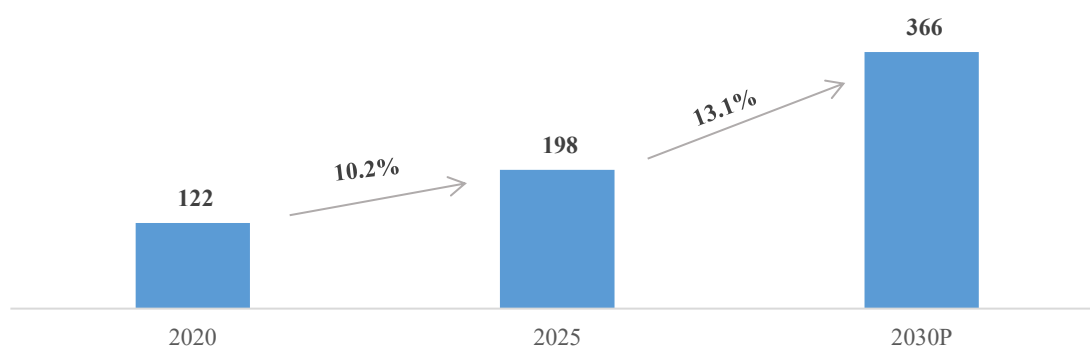
Source: The Knowledge Company Analysis

PU Foam Market in India

Indian PU Foam Market Size

In FY2025, India's PU foam market is estimated at approximately INR 198 billion, growing at a CAGR of ~10.2% from INR 122 billion in FY2020. The market is projected to reach approximately INR 366 billion by FY2030, growing at a CAGR of ~13.1%.

Exhibit 2.1: Indian PU Foam Market Size- By Value (in INR billion) (FY)



Source: The Knowledge Company Analysis, Secondary Research
Numbers in percentage represents CAGR

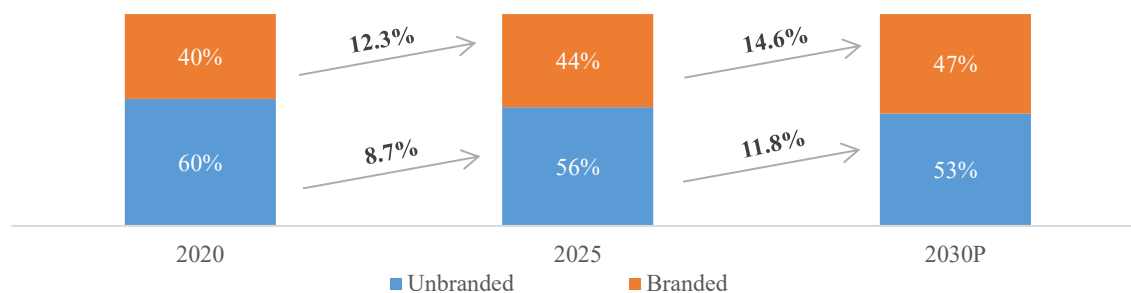
Split by Branded-Unbranded Market

The Indian PU foam market remains partially fragmented, with both branded and unbranded players operating across the value chain. However, there has been a gradual shift in preference toward branded foam, particularly in the mattress and furniture segments, where quality consistency, regulatory compliance, and supply reliability are becoming critical. Branded foam accounted for approximately 40% of the total market in FY2020, increasing modestly to 44% by FY2025, and is expected to reach 47% by FY2030.

This transition is being driven in part by unorganised mattress and furniture manufacturers increasingly sourcing branded foam as an input material to reduce quality variability and enhance product perception. Large-scale organised players like Duroflex, with in-house foam manufacturing capabilities are well-positioned to benefit from this shift. In FY2025, Duroflex derived 39% of its total revenue from PU foam and had a market share of 5.2% in the branded PU foam market, enabling it to serve both internal and external demand with better cost and quality control.

Over the medium term, the growing adoption of branded foam is expected to contribute to the formalization within the sector, supporting demand for integrated and scalable manufacturers.

Exhibit 2.2: Split of Indian PU Foam Market into Branded and Unbranded - By Value (FY)

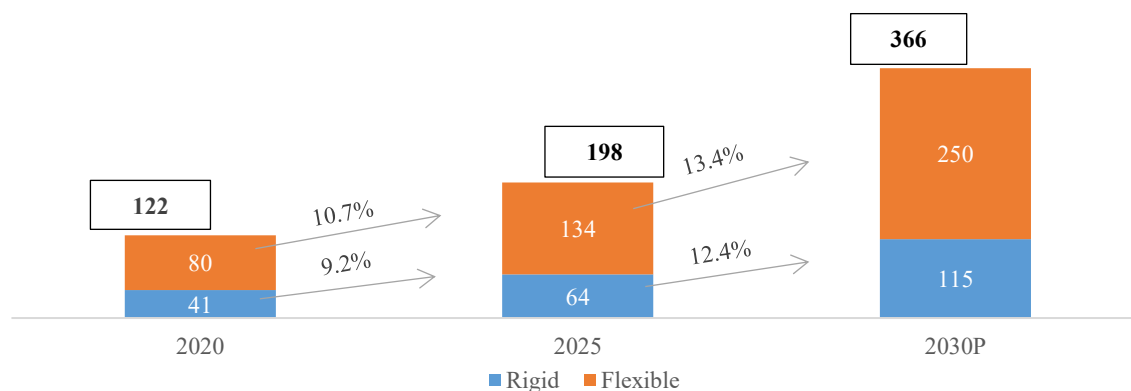


Source: The Knowledge Company Analysis, Secondary Research

Split by Material Type

Basis material type, the Indian PU foam market can be classified into rigid and flexible PU foam.

Exhibit 2.3: Breakup of Indian PU Foam Market in Rigid and Flexible (in INR billion) (FY)



Source: The Knowledge Company Analysis, Secondary Research
Numbers in percentage represents CAGR

Rigid PU Foam Market

Rigid PU foam is primarily used as a thermal insulation material across construction, refrigeration, and appliance applications. It is characterised by low thermal conductivity, high compressive strength, and low weight, making it suitable for both insulation and load bearing uses. In the Indian market, rigid PU foam finds end-use in building insulation panels, refrigerated storage units, cold chain infrastructure, automotive soundproofing, and protective packaging for sensitive goods.

The Rigid PU Foam market has grown at a CAGR of 9.2% from INR 41 billion in FY2020 to INR 64 billion in FY2025 and is further expected to grow at a CAGR of 12.4% till FY2030 to reach a market value of INR 115 billion.

Flexible PU Foam Market

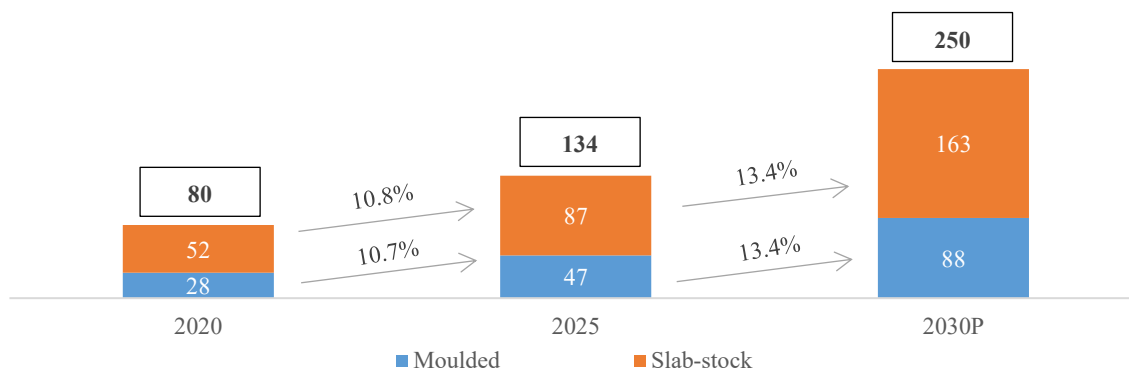
Flexible PU Foam is a versatile material known for cushioning and comfort properties. Ideal for mattresses, pillows, and upholstery, it offers support and relaxation with high resilience for long-lasting performance. Its lightweight and breathable structure makes it suitable for bedding, automotive, furniture, packaging, and healthcare applications, enhancing user experience and product performance.

Between FY2020-25, flexible PU foam's share in the total PU foam market increased from ~66% in FY2020 to ~68% in FY2025. The market has grown at a CAGR of 10.7% from INR 80 billion in FY2020 to INR 134 billion in FY2025 and is further expected to grow at a CAGR of 13.4% till FY2030 to reach a market value of INR 250 billion.

Sub-segments of Flexible PU Foam Market

Flexible PU Foam can be further classified into two sub-categories, Flexible Slab-stock PU Foam and Flexible Moulded PU Foam.

Exhibit 2.4: Break-up of Flexible PU Foam Market in Slab-stock and Moulded (in INR billion) (FY)



Source: The Knowledge Company Analysis, Secondary Research
Numbers in percentage represents CAGR

Flexible Slab-stock PU Foam Market

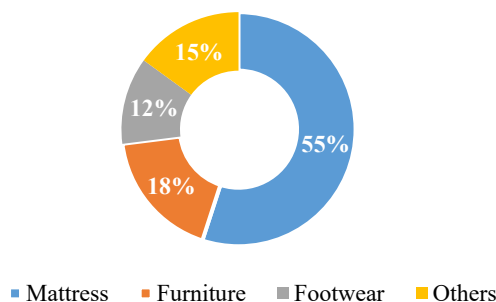
The flexible Slab-stock PU foam market has grown at a CAGR of 10.8% from INR 52 billion in FY2020 to INR 87 billion in FY2025 and is further expected to grow at a CAGR of 13.4% till FY2030 to reach a market value of INR 163 billion.

Flexible slab-stock PU foam is the most widely used type of flexible foam in India, produced in large blocks and later cut to size. It is valued for its softness, adaptability, and cost-efficiency, and serves a range of industries requiring cushioning and support.

Breakup by End-User Industry

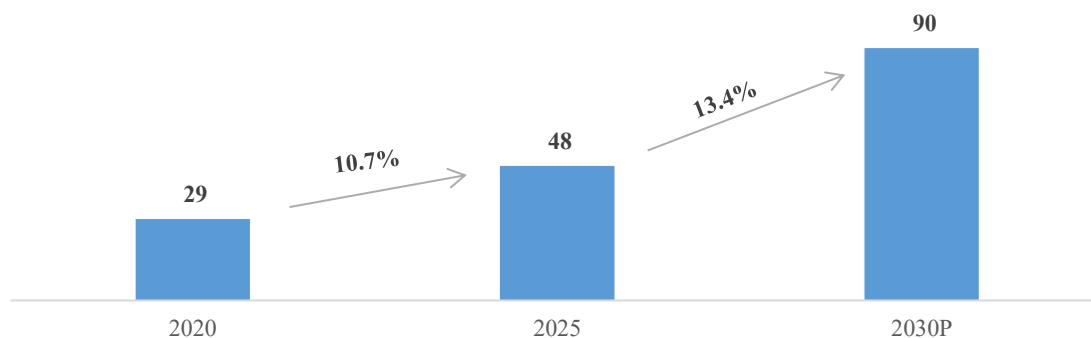
In terms of end-user industries, the mattress industry dominates the slab-stock flexible PU foam market, accounting for ~55% of demand (INR 48 billion), followed by furniture and footwear accounting for ~18% (INR 16 billion) and ~12% (INR 10 billion) respectively. Demand from furniture and footwear has been rising steadily, supported by urbanisation, growth in organised retail, and increasing consumer preference for comfort-oriented products. The remaining ~15% is consumed in packaging, insulation, and limited automotive applications

2.5: Flexible Slab-stock PU Foam Breakup by End-User Industry- By Value (FY2025)



Source: The Knowledge Company Analysis, Secondary Research

Exhibit 2.6: Indian Mattress Flexible Slab-stock PU Foam Market Size (in INR billion) (FY)



Source: The Knowledge Company Analysis, Secondary Research
Numbers in percentage represents CAGR

The mattress flexible slab-stock PU foam market has grown at a CAGR of 10.7% from INR 29 billion in FY2020 to INR 48 billion in FY2025 and is further expected to grow at a CAGR of 13.4% till FY2030 to reach a market value of INR 90 billion. PU foam constitutes the single largest component of raw material cost in mattress production, making it a highly critical input. Consequently, mattress companies increasingly prefer to source their requirements from organised, large-scale players that can ensure reliability, quality, and scale. Over the past five years, there has been a steady shift toward branded flexible slab-stock PU foam, with the branded share increasing from ~53% (INR 15 billion) in FY2020 to ~57% (INR 27 billion) in FY2025, driven by rising quality awareness and demand for consistent material standards among mattress manufacturers. Key branded players in this space include Duroflex, Sheela Foam, and Tirupati Foam, among others.

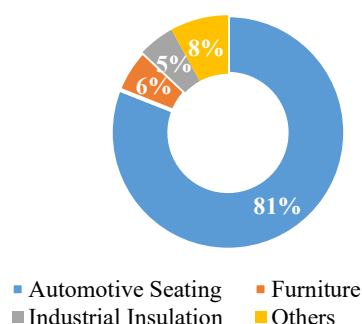
In FY2025, the furniture and mattress categories together accounted for 72% (INR 63 billion) of the flexible slab-stock PU foam market. Duroflex ranks among the top 2 branded players, commanding an estimated market share of 7.2% in these categories.

Flexible Moulded PU Foam Market in India

The flexible moulded PU foam market has grown at a CAGR of 10.7% from INR 28 billion in FY2020 to INR 47 billion in FY2025 and is further expected to grow at a CAGR of 13.4% till FY2030 to reach a market value of INR 88 billion. Moulded flexible PU foam is produced using closed moulds that allow for dimensional precision and customized density and firmness. It is particularly suited for applications where shape retention and ergonomic design are critical.

Breakup by End-User Industry

Exhibit 2.7: Flexible Moulded PU Foam Breakup by End-User Industry- By Value (FY2025)



Source: The Knowledge Company Analysis, Secondary Research

Automotive seating dominates moulded PU foam usage, accounting for ~81% of the demand (INR 38 billion). This is followed by furniture and industrial insulation, accounting for ~6% (INR 3 billion) and ~5% (INR 2 billion) respectively. Within automotive, it is widely used in passenger and commercial vehicle seats, headrests, and armrests due to its durability and comfort. In furniture, moulded foam is preferred for premium seating and office chairs, while in industrial applications, it is used in specialized packaging, protective gear, and acoustic insulation where complex shapes and shock absorption are required.

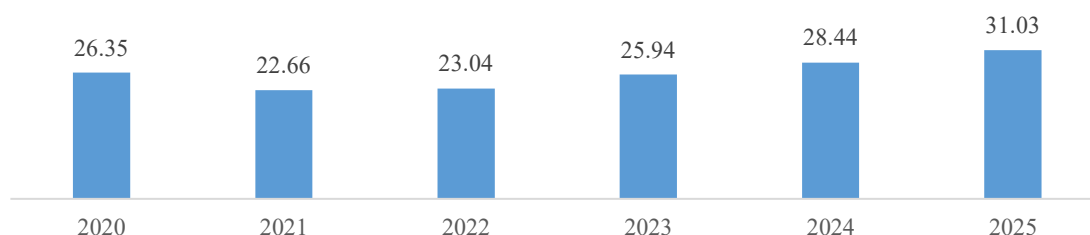
Key Industry Trends and Growth Drivers

Shift Toward Branded Foam Inputs: The Indian PU foam market is witnessing a gradual transition from unbranded to branded foam, particularly among unorganized mattress and furniture manufacturers. This shift is driven by the need for consistency in product density, durability, and fire safety compliance.

Sustained Demand from the Mattress and Furniture Segments: The expansion of urban housing, rising disposable incomes, and growing consumer preference for branded comfort and lifestyle products are driving sustained demand for mattresses and upholstered furniture. These categories continue to be major end-use segments for slab-stock flexible PU foam.

Sustained Growth in Automotive Segment Driving Moulded Foam Demand: The automotive industry, particularly the passenger and commercial vehicle segments, continued to grow in FY2025, contributing to increased consumption of moulded PU foam for vehicle seating and interior comfort applications. The ongoing emphasis on ride quality and cabin comfort has further supported segmental demand.

Exhibit 2.8: Annual Vehicle Production in India (in million) (FY)



Source: Society of Indian Automobile Manufacturers (SIAM)

Advancements in Material Innovation: Product innovation remains a key industry driver. Developments in high-resilience foam, antimicrobial formulations, and hybrid blends are enabling the introduction of premium-grade foam products. In parallel, global trends around recyclable and bio-based PU foam variants are shaping long-term R&D directions in the Indian market, although large-scale commercialisation remains limited. An illustration of this shift is Duroflex, which is the only leading Indian mattress player to obtain CertiPUR-US certification. This certification ensures that the company's foams meet strict international standards on content, emissions, and durability, and are free from harmful chemicals such as ozone depleters, heavy metals, or formaldehyde. The adoption of such certified materials highlights how Indian producers are gradually aligning with global best practices in material innovation.

Diversification of End-Use Applications: Beyond traditional sectors like bedding and furniture, PU foam is increasingly being used in diverse applications such as acoustic insulation, footwear, thermo-ware, and industrial packaging. This broader application base helps reduce reliance on any single end-use segment and supports more stable demand across market cycles.

Key Threats and Challenges

Long Replacement Cycles in Core Applications: PU foam is extensively used in categories such as mattresses, furniture, and automotive seating, segments that typically follow multi-year replacement timelines. Mattresses and upholstered furniture are often replaced every 6-8 years, while automotive seat components may be refreshed every 3-4 years, generally tied to vehicle life cycles. While the foam's durability is a strength, it also limits the frequency of repeat purchases, especially in mature or urban markets, making growth more dependent on new customer acquisition or institutional expansion.

Growing Interest in Sustainable Alternatives: Consumer preferences and institutional procurement decisions are increasingly influenced by environmental considerations. This has created room for materials like natural latex, polyolefin foams, and bio-based foam alternatives derived from renewable inputs such as soy or castor oil. Although these materials are still niche in India, they are gaining visibility in certain premium and export-facing categories, potentially posing a long-term substitution risk for conventional petroleum-based PU foam.

Rising Technical Demands in Downstream Applications: Product innovation across downstream industries, ranging from automotive to industrial insulation, is driving demand for advanced foam materials with enhanced thermal, acoustic, or structural properties. To remain competitive, PU foam suppliers are expected to invest in R&D and upgrade their manufacturing capabilities. For mid-sized or regionally focused players, the capital intensity and technical complexity of such transitions may create entry barriers or delay adoption, especially where new technologies require specialised inputs or process changes.

Raw Material Cost Volatility and Import Dependence: Though PU foam relies on imported petrochemical feedstocks, large manufacturers typically pass on raw material price changes to customers. This pass-through mechanism ensures that volatility

in crude oil, freight, or forex has limited long-term impact, with sales and profitability largely sustained even in price-sensitive markets like India.

Environmental Impact and Disposal Constraints: PU foam is not biodegradable and lacks a well-developed post-consumer recycling ecosystem in India. Most foam waste is either landfilled or incinerated, which raises sustainability concerns. Although research into recyclable and bio-based variants is underway, large-scale commercial deployment remains limited. Regulatory pressure and increasing customer scrutiny on end-of-life waste handling may translate into future compliance requirements or reputational risks for manufacturers.

Manufacturing Complexity: Establishing PU foam manufacturing facilities requires significant capital investment, specialised machinery, and tight process controls, particularly for continuous slab-stock lines and moulded foam operations. In India, the challenge is compounded by heavy dependence on imported feedstocks such as TDI and polyols, which limits backward integration opportunities. As a result, the market is characterised by a few organised, large-scale players (e.g., Sheela Foam, Duroflex, Tirupati Foam). This structural barrier restricts the entry of new large players and contributes to a relatively consolidated competitive landscape in branded slab-stock PU foam.

Mattress Market in India

Market Evolution of Mattresses in India

The Indian mattress market has evolved significantly from a fragmented, traditional sector dominated by cotton and coir mattresses to a dynamic, innovation-driven industry with diverse product offerings. During 1960s and 1970s, the industry was largely unbranded with small scale manufacturers producing cotton and coir mattresses. These products were affordable and durable but offered limited comfort and lacked standardisation. It was during this period that Duroflex, one of the first branded mattress players to emerge in the 1960s, along with Kurlon, introduced rubberized coir technology, an innovation that helped standardize the mattress industry. Mattresses were primarily sold through small retail outlets and local distributors. However, adoption remained low, with only around 2% of the population using mattresses. By 1980s, rubberized coir mattresses dominated the modern mattress industry accounting for ~80% of the market, with PU foam mattresses entering the segment gradually. Following economic liberalisation in the 1990s, several foreign players such as Sealy and Dupont entered the Indian market, introducing advanced materials and technologies. However, despite being technically advanced, these global brands were unable to scale substantially in India as they could not build strong distribution networks or offer diversified product portfolios like leading domestic players such as Duroflex and Sheela Foam.

The 2000s witnessed rapid growth in the mattress industry, marked by the entry of several new players and the adoption of modern materials such as memory foam, latex, and spring. This period also marked a significant rise in the branded segment of the market with branded players such as Duroflex, Sheela Foam and others scaling operations, enhancing product quality and introducing premium product lines for affluent urban consumers. From 2010 onwards, the mattress market began shifting towards premiumization, driven by growing urbanization and rising disposable incomes, which fueled consumer demand for greater comfort and durability. As a result, innovation accelerated with the development of hybrid mattresses, that combine foam, latex, and springs for better ergonomics, pressure relief, and durability. Leading players such as Duroflex, which had in-house manufacturing from the beginning of their journey, also worked continuously to enhance their manufacturing capabilities.

Post 2015, the Indian mattress industry witnessed a shift in channel dynamics with the rapid growth of e-commerce and digital-first platforms. This period marked the emergence of direct-to-consumer (D2C) brands such as Wakefit, Sleepyhead, SleepyCat, and The Sleep Company, which adopted online-first strategies and offered customized, value-driven mattresses tailored to evolving consumer preferences. Duroflex was the first established brand in the mattress and furniture industry launch an online D2C brand to specifically target mattresses for the online distribution channel, launching Sleepyhead brand in 2017. Currently, the Indian modern mattress industry is characterized by a strong presence of branded players, catering to a wide spectrum of consumers across price and comfort segments.

Exhibit 3.1: Market Evolution of Mattress in India (Pre CY1980s to CY2025)

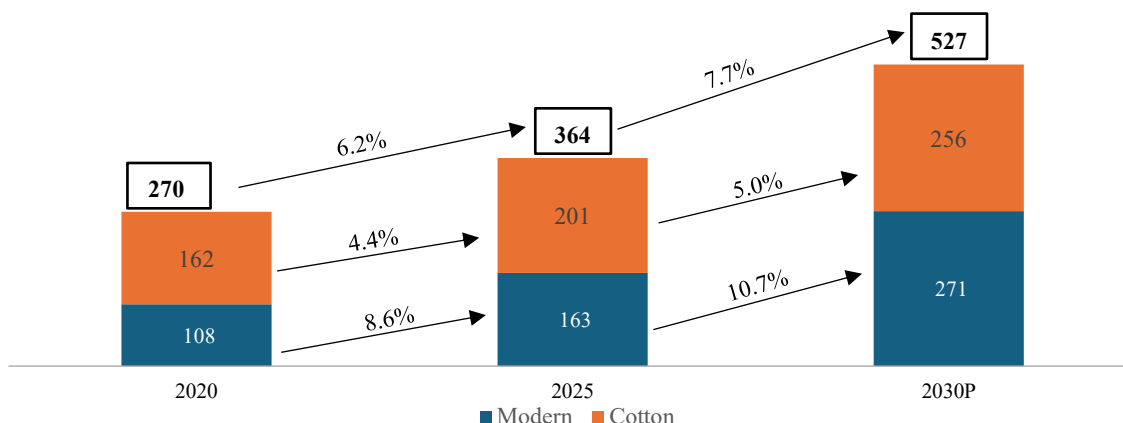
	Pre 1980s	1980 - 2000	2000 -2010	2010 - 2015	Post 2015
					
Mattress Type	Cotton and Coir	Rubberised Coir: ~80% of modern mattress	Shift towards PU foam mattresses	Continued adoption of PU, spring, latex.	Strong focus on PU, memory foam, and hybrid
Trend	Rubberised Coir Technology Introduced	Collaborations with foreign firms for tech know-how	Introduction of memory foam, spring, and latex mattresses	Rise of in-house manufacturing, tech-focused branding	Digital first brands, D2C led disruptions
Sales Channel	Small retail outlets and local distributors	General trade and unorganised MBOs	Still dominated by unorganised channels	Gradual emergence of exclusive brand outlets (EBOs)	Rapid growth of online, D2C and EBOs; organized channel gaining share

Source: The Knowledge Company Analysis

India's Mattress Market

A mattress is a large rectangular pad filled with cotton, foam, coiled springs, rubberized coir, etc., which plays a pivotal role in providing the right support and comfort to the body, thereby facilitating good quality sleep. The Indian mattress market has exhibited continuous growth over the years. It has grown at a CAGR of ~6.2% from INR 270 billion in FY2020 to INR 364 billion in FY2025 and is further expected to grow at a CAGR of ~7.7% till FY2030 to reach a market value of INR 527 billion.

Exhibit 3.2: Indian Mattress Market – By Value (in INR billion) (FY); CAGR



Source: The Knowledge Company Analysis

Note: This does not include exports.

Market size is for overall mattress market in India, comprising of both cotton and modern mattress market. Market size is at consumer price level, which includes the mark-up of retailers.

The Indian mattress market can be broadly categorised into cotton mattresses and modern mattresses. As of FY2025, cotton mattresses contributed approximately 55% (INR 201 billion), while modern mattresses accounted for approximately 45% (INR 163 billion) of the total market. Cotton mattresses are primarily used in rural and semi-urban areas due to their low price and are manufactured entirely by unbranded/local players. These mattresses are typically priced around INR 2,500. In contrast, modern mattresses are more prevalent in metro, mini-metro, and tier I cities. This segment includes both branded and unbranded offerings, with prices ranging from INR 2,000 to INR 5,000 for unbranded products and INR 5,000 to INR 75,000+ for branded variants. Some of the leading modern mattress brands in India include Duroflex, Sleepwell and Wakefit.

The mattress and sleep solutions category are widely considered as resilient and relatively insulated from macroeconomic fluctuations. This can be attributed to its essential nature and the steady, replacement-driven demand cycle. Rising health and wellness awareness has positioned quality sleep as a core part of overall well-being, driving consistent consumer demand regardless of economic conditions. In India, the low per capita spend on mattresses, estimated at around INR 250, indicates

significant headroom for growth, driven by first-time adoption and increasing urbanization. These factors have collectively contributed to the category's consistent performance across varying economic cycles.

Per Capita Spend on Mattresses

Compared to mature markets like the USA and China, India's mattress market remains underpenetrated, with significantly lower per capita spending. However, factors such as rising urbanisation, growing health and wellness awareness, and the expansion of organized and online retail channels are gradually shifting consumer preferences towards modern, high-quality mattresses, thus driving market growth.

Indicatively, average per capita spending on mattresses by value stands at approximately USD 61 in USA, USD 15 in Europe and USD 11 in China as of CY2024. In contrast, India's per capita spending remains significantly lower at around USD 3, signifying the category's under penetration and highlighting substantial headroom for growth in future.

Exhibit 3.3: Per Capita Spend on Mattresses – By Value (CY2024) (USD)

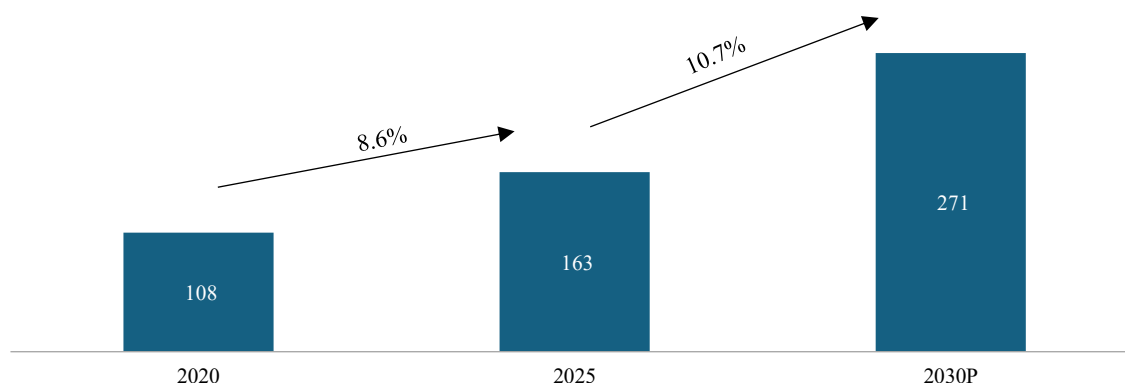
Country	Per Capita Spend on Mattresses – By Value (USD)
USA	60-62
Europe	14-16
China	10-12
India	3-5

Source: The Knowledge Company Analysis

India's Modern Mattress Market

The Indian modern mattress market has grown at a CAGR of approximately 8.6%, increasing from INR 108 billion in FY2020 to INR 163 billion in FY2025. Going ahead, the market is projected to grow at a CAGR of around 10.7% to reach INR 271 billion by FY2030. The reason for the high growth rate of modern mattresses can be attributed to increasing population, rising urbanization, increase in disposable income of people, increase in health-related issues of the Indian population, rising demand of such mattresses among consumers because of its various health benefits such as better comfort, temperature regulations etc.

Exhibit 3.4: Indian Modern Mattress Market – By Value (in INR billion) (FY); CAGR



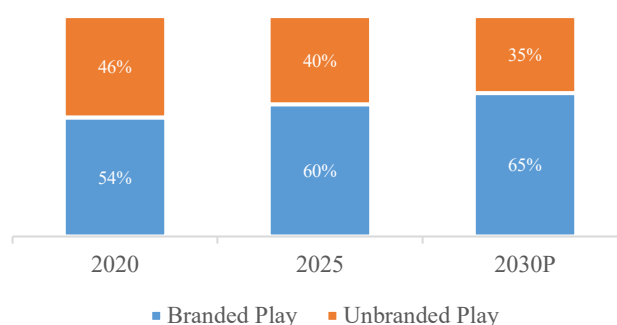
Source: The Knowledge Company Analysis

Note: This does not include exports.

Market size is at consumer price level, which includes the mark-up of retailers.

The modern mattress market in India is primarily driven by branded players, with leading brands such as Duroflex, Sheela Foam and Wakefit, alongside several smaller and niche brands catering to diverse consumer preferences. As of FY2025, branded play controlled nearly 60% (~INR 98 billion) of the modern mattress market in India. This represents a significant increase from the market share of around 54% (~ INR 58 billion) recorded in FY2020, reflecting a notable growth trajectory for the branded market. The branded play is estimated to capture ~65% (~INR 175 billion) market share by FY2030.

Exhibit 3.5: Share of Branded Play in Indian Modern Mattress Market – By Value (in %) (FY)



Source – The Knowledge Company Analysis

Key sub-categories of Modern Mattresses

Segmentation by Material Type

The Indian modern mattress market can be segmented by material type into foam, spring, rubberized coir, and latex mattresses.

Exhibit 3.5: Modern Mattress Types – By Material

Mattress Type	Composition	Positioning	Replacement Cycle	Key Features
Foam	PU foam or memory foam (a visco-elastic variant)	Mass to premium	~6–7 years	Comfortable, cost-effective Duroflex is one of the key manufacturers of memory foam mattresses in India Other leading players such as Wakefit and Sheela Foam also have extensive foam-based product portfolio
Spring	Layers of coiled springs with padding	Premium	~8–10 years	Enhanced support & durability, positioned as premium comfort. Duroflex has a specialized capability of producing both bonnel & pocket spring mattresses in Tamil Nadu and Madhya Pradesh Similarly, Wakefit offers Pocket Spring + Memory Foam mattresses
Latex	Natural or synthetic latex	Premium to luxury	~8–10 years	Durable, resilient, hypoallergenic Duroflex has a 100% Natural Latex Range of Mattresses which are GOLS certified under its Natural living sub-brand
Rubberized Coir	Coir bonded with latex	Mass to mid	~4–5 years	Firm support conforms to body shape, prone to sagging over time Duroflex has niche expertise of producing coir mattresses in one of its mattress manufacturing facility in Tamil Nadu. Kurlon also offers a range of rubberised and natural coir mattresses designed for durability and firm support

Between FY2020 and FY2025, the Indian modern mattress market witnessed a steady expansion of foam mattresses, whose share increased from 50.0% (INR 54 billion) to 53.9% (INR 88 billion). This growth has been driven by rising consumer preference for comfort-oriented, cost-effective options such as PU foam and memory foam, supported by strong adoption in both urban and semi-urban markets. By FY2030, foam mattresses are projected to further strengthen their position, accounting

for 56.5% (INR 153 billion) of the market, growing at a CAGR of 11.7%, driven by affordability, product innovation, and wider availability across offline and online channels.

Spring mattresses expanded from 22.4% (INR 24 billion) in FY2020 to 25.2% (INR 41 billion) in FY2025, reflecting growing penetration in the premium segment, especially among urban consumers seeking enhanced support and durability. The category is expected to continue its upward trajectory, reaching 27.7% (INR 75 billion) share by FY2030, growing at a CAGR of 12.8%, supported by premiumization, rising housing demand, and increasing adoption in hospitality and institutional segments.

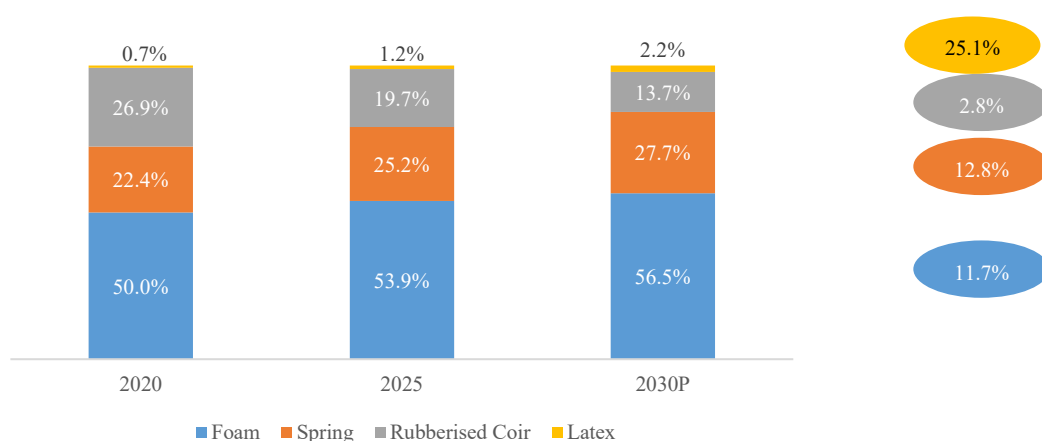
In contrast, rubberized coir mattresses declined from 26.9% (INR 29 billion) in FY2020 to 19.7% (INR 32 billion) in FY2025, primarily due to consumer migration towards more comfortable and durable alternatives. By FY2030, this category is expected to shrink further to 13.7% (INR 37 billion), highlighting the broader industry shift away from traditional materials toward modern, feature-driven products.

Latex mattresses, while niche, increased from 0.7% (INR 1 billion) in FY2020 to 1.2% (INR 2 billion) in FY2025, and are expected to capture 2.2% (INR 6 billion) share by FY2030. This reflects a CAGR of 25.1%, driven by rising health and sustainability awareness as well as demand for natural, eco-friendly, and hypoallergenic materials.

Overall, the industry is witnessing a clear shift away from material-led categories toward property and feature-based segments such as Orthopedic/Spine Support, Natural/latex-based, Cooling Technology, Hybrid (blend of springs/coils + foam/latex/other layers). This transition is driving premiumization and improving realizations, as consumer preferences increasingly focus on health benefits, comfort differentiation, and lifestyle alignment rather than just raw material composition. Leading players have leveraged this trend and have launched and scaled their series of feature-based mattresses. The notable ones are:

- Duroflex's Duropedic series is engineered with 5 Zone Postural Support to align with the human body's pressure points, ensuring optimal spinal alignment and posture correction. The Duroflex Energise series targets younger and physically active consumers with its hybrid mattress of copper-infused foam and pocket springs for motion isolation, along with an extra cushioning layer on top. Recently, the Duroflex Energise series has been revamped with innovative Arctic Ice cooling fabric technology designed to suit the hot climatic conditions of the country.
- Sleepwell Nexa uses Resitec and Quiltec foams to provide adaptive body contouring, balanced support, and superior breathability.
- Wakefit ErgoTech EcoLatex features a natural latex layer with 7-zone ergonomic support for optimal spinal alignment and pressure relief.

Exhibit 3.6: Break down of Modern Mattress Market in India based on Product Type- By Value (FY2025)



Source: The Knowledge Company Analysis

Note: % in the bubbles represent CAGR between FY2025 and FY2030.

Segmentation by Comfort Type

The Indian modern mattress market, as of FY2025, can be segmented by comfort type into Basic, Ortho, Luxury, and Hotel comfort categories.

Between FY2020 and FY2025, the Indian modern mattress market witnessed a gradual decline in the share of basic comfort mattresses, reducing from 71% (INR 77 billion) to 67% (INR 109 billion). Despite remaining the dominant segment, the relative

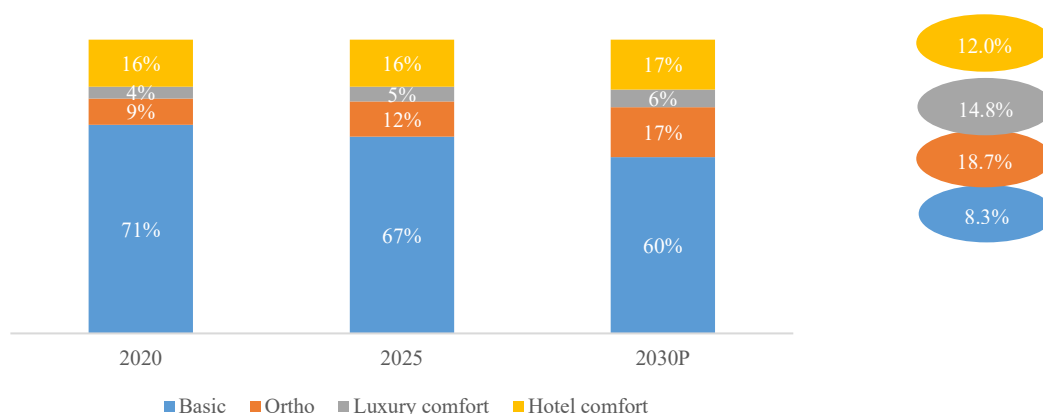
decline reflects growing consumer preference for differentiated offerings beyond entry-level products. By FY2030, the share of basic comfort mattresses is projected to further reduce to 60% (INR 163 billion), even as the segment continues to grow in absolute terms at a CAGR of 8.3%, supported by widespread adoption in households, hospitals, and budget hotels.

Ortho mattresses expanded from 9% (INR 10 billion) in FY2020 to 12% (INR 20 billion) in FY2025, driven by rising health consciousness and increasing incidence of posture and back-related concerns among urban consumers. The segment is expected to grow further to 17% (INR 46 billion) by FY2030, at a robust CAGR of 18.7%, supported by greater awareness, lifestyle-related health issues, and strong adoption across urban and semi-urban markets. Duroflex, one of the leading players in this segment, offers an orthopedic mattress range (Duropedic) that has been tested and certified by the National Health Academy for its advanced spinal health support.

Luxury comfort mattresses increased modestly from 4% (INR 4 billion) in FY2020 to 5% (INR 8 billion) in FY2025, reflecting premiumization trends and demand from affluent households as well as luxury hospitality segments. By FY2030, the category is projected to account for 6% (INR 16 billion) of the market, growing at a CAGR of 14.8%, supported by rising consumer aspiration, higher disposable incomes, and deeper penetration in luxury hotel chains. Leading players such as Duroflex cater to tech-savvy and premium consumers within this segment through offerings like Neuma which is India's first firmness adjustable mattress, which can be operated by a smart remote control and a mobile app.

Hotel comfort mattresses maintained a steady share of 16% between FY2020 (INR 17 billion) and FY2025 (INR 26 billion). By FY2030, the category is expected to sustain its position at 17% (INR 46 billion), driven by the expansion of premium and luxury hospitality infrastructure in India and rising institutional procurement.

Exhibit 3.7: Break down of Modern Mattress Market in India based on Comfort Type - By Value (FY2025)



Source: The Knowledge Company Analysis

Note: % in the bubbles represent CAGR between FY2025 and FY2030.

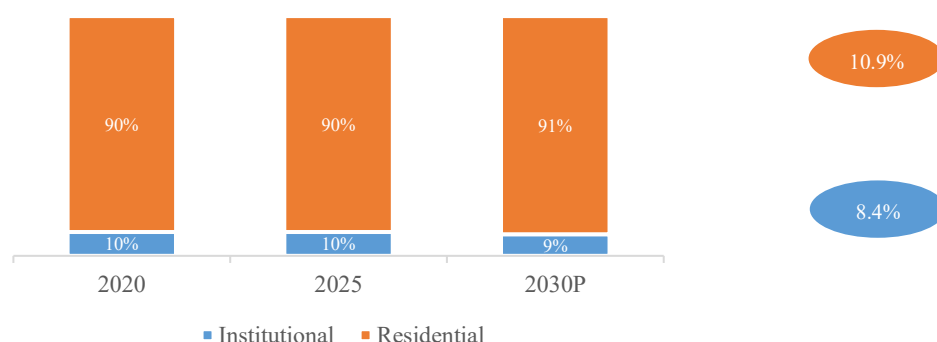
Segmentation by Usage

Based on end use, the Indian modern mattress market can be classified into residential and institutional segments. The residential segment dominates the market with a 90% (INR 147 billion) share by value in FY2025. It primarily uses PU Foam based mattresses with urban India constituting a larger share of sales, given the higher price points it operates in, as compared to cotton-based mattresses. The segment is expected to remain the primary demand driver, projected to account for 91% of the market by value, reaching INR 247 billion by FY2030, growing at a CAGR of 10.9% over FY2025-30. Growth in this segment is supported by rising urbanization, higher disposable incomes, greater health awareness, and increasing consumer aspiration for branded and premium comfort mattresses.

The institutional segment, accounting for 10% (INR 16 billion) as of FY2025, includes hotels, hospitals, and other establishments, and utilizes both spring and PU foam mattresses. Within this, Luxury hotel chains (4 and 5-star hotels), both domestic and international, typically prefer spring-based mattresses and budget 3-star hotels prefer PU Foam based mattresses. The institutional segment is projected to reach INR 24 billion by FY2030 (CAGR 8.4%), driven by the ongoing expansion in the hospitality sector and growth in healthcare infrastructure.

For branded players like Duroflex, the institutional segment offers multiple benefits. It provides large volume and repeat orders, ensuring a stable and recurring revenue stream. It also enhances brand visibility and credibility by associating with reputed hospitality and healthcare chains. Moreover, institutional sales are less price-sensitive and less seasonal than the retail market, thereby helping de-risk the business from fluctuations in consumer demand and reducing overall revenue volatility.

Exhibit 3.8: Breakdown of Modern Mattress Market in India based on End Use- By Value (FY2025)



Source: The Knowledge Company Analysis

Note: % in the bubbles represent CAGR between FY2025 and FY2030.

Segmentation by Price Points

The Indian modern mattress market is segmented by price into Economy (up to INR 10,000), Mid (INR 10,000 to INR 20,000), Mid Premium (INR 20,000 to INR 35,000), Premium (INR 35,000 to INR 50,000), Luxury (INR 50,000 to INR 1,00,000), and Super Luxury (above INR 1,00,000).

Within the Economy segment, products priced up to INR 5,000 are predominantly offered by unbranded/ unorganised players. The economy segment constituted 33.8% (INR 37 billion) of the market in FY2020 and declined to 30.0% (INR 49 billion) in FY2025. Its share is projected to further moderate to 27.0% (INR 73 billion) by FY2030, growing at a CAGR of 8.4%. This slower growth reflects an increase in the number of consumers upgrading from entry-level mattresses to mid and premium categories, particularly in urban India.

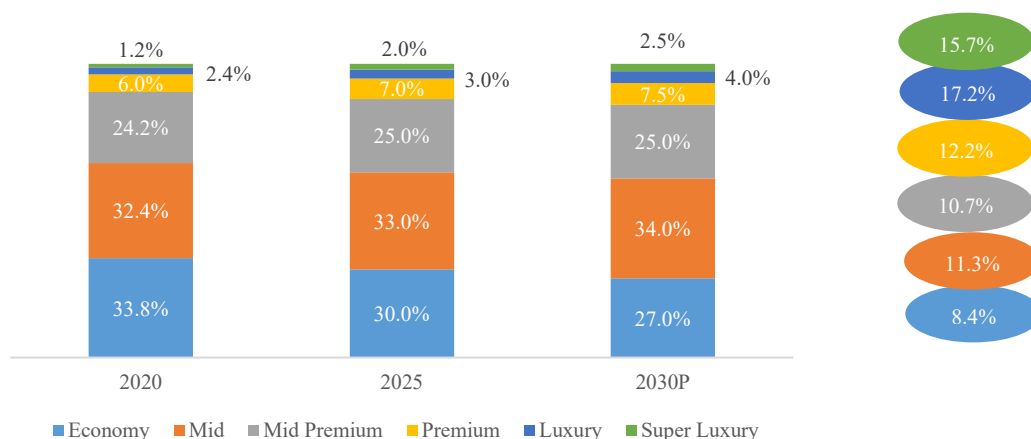
The mid segment increased from 32.4% (INR 35 billion) in FY2020 to 33.0% (INR 54 billion) in FY2025 and is expected to rise further to 34.0% (INR 92 billion) by FY2030, registering a CAGR of 11.3%. Growth in this category will be supported by rising disposable incomes and the deeper market penetration of branded players, enabled by strong distribution channels and extensive retail footprints.

The mid premium segment accounted for 24.2% (INR 26 billion) in FY2020 and 25.0% (INR 41 billion) in FY2025, with its share expected to remain stable at 25.0% (INR 68 billion) through FY2030, growing at a CAGR of 10.7%. Its steady growth is supported by consumer aspiration for branded comfort products and increasing health awareness, particularly in metros and urban clusters.

The premium segment has expanded from 6.0% (INR 6 billion) in FY2020 to 7.0% (INR 11 billion) in FY2025 and is expected to reach 7.5% (INR 20 billion) by FY2030, growing at a CAGR of 12.2%. This reflects the increasing willingness among urban consumers to invest in enhanced comfort, orthopedic support, and technologically advanced mattresses. In the fast-growing premium modern mattress segment, Duroflex is one of the leading brands in the branded premium segment, which constitutes 80% of the overall premium market as of FY2025. The luxury segment grew from 2.4% (INR 3 billion) in FY2020 to 3.0% (INR 5 billion) in FY2025 and is projected to reach 4.0% (INR 11 billion) by FY2030, growing at a robust CAGR of 17.2%. Demand in this segment is supported by premiumization in metros/Tier-1 cities and the growth of luxury housing. Meanwhile, the super luxury segment, though niche, has grown from 1.2% (INR 1 billion) in FY2020 to 2.0% (INR 3 billion) in FY2025 and is projected to reach 2.5% (INR 7 billion) by FY2030, growing at a CAGR of 15.7%. This growth will be driven by affluent households, luxury hotel chains, and the rising influence of global lifestyle trends in India.

Leading players such as Duroflex have adopted a house of brands strategy and strategically positioned their brand portfolio to address the full price spectrum of the Indian modern mattress market. The Duroflex brand itself offers mattresses from the economy to luxury segments, catering to a broad and diverse customer base. Sleepyhead targets urban, digitally-savvy consumers, focusing on the mid to premium segments. Perfect Rest caters to customers seeking a balance between price and comfort, covering the economy to mid-premium range. At the top end, the Neuma brand is positioned for luxury and super luxury buyers looking for premium sleep products.

Exhibit 3.9: Breakdown of Modern Mattress Market in India based on Price Points- By Value (FY2025)



Source: The Knowledge Company Analysis

Note: Segmentation is based on MOP (Market Operating Price), % in the bubbles represent CAGR between FY2025 and FY2030.

Segmentation by Distribution Channel

The Indian modern mattress market operates through a mix of traditional and modern trade channels, with players adopting omnichannel strategies to maximize market reach and consumer touchpoints. As of FY 2025, the market is segmented into four key sales channels:

Trade Stores: This is the largest distribution channel for the Indian modern mattress industry, comprising a mix of Multi-Brand Outlets (MBOs) and Exclusive Brand Outlets (EBOs).

- Multi-Brand Outlets (MBOs):** This remains the dominant sales channel, though its share has moderated from 75% (INR 81 billion) in FY2020 to 70% (INR 114 billion) in FY2025. It comprises general trade, with a strong presence in semi-urban and rural areas, along with organised MBOs such as Pai International, which have a significant presence in metro and tier-1 cities. These outlets typically stock multiple brands and play a pivotal role in last-mile distribution. Long-standing relationships and brand familiarity enable leading players like Duroflex and Sheela Foam to command shelf visibility and retailer advocacy. Despite its gradual decline to a projected 65% (INR 176 billion) share by FY2030 (CAGR: 9.0%), this channel will remain critical for achieving deeper market penetration.
- Exclusive Brand Outlets (EBOs):** EBOs have been steadily gaining traction as brands focus on enhancing customer experience and driving premiumization. Their share has increased from 5% (INR 5 billion) in FY2020 to 6% (INR 10 billion) in FY2025, supported by an expanding footprint in metros and tier-1 cities. These outlets enable brands to showcase their full product portfolio, control merchandising, and provide a differentiated in-store experience. The channel is projected to reach a 8% share (INR 22 billion) by FY2030, growing at a CAGR of 17.2%.

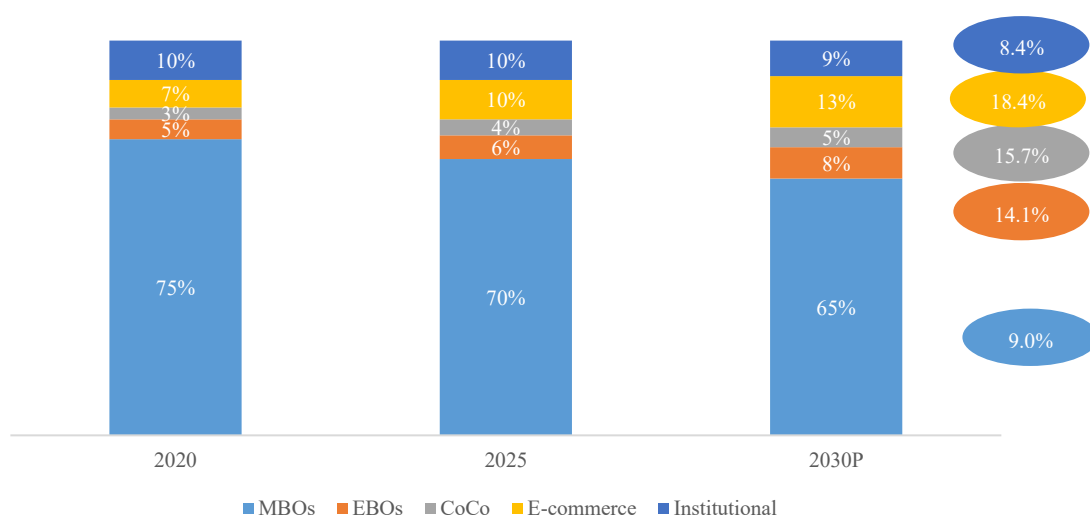
Company-Owned Company-Operated (COCO) Stores: Although currently a niche format, COCO stores have grown from 3% (INR 3 billion) in FY2020 to 4% (INR 7 billion) in FY2025. These outlets provide brands with complete control over pricing, service quality, and customer engagement, making them effective pilots for new formats and innovations. Players such as Duroflex have leveraged this format to deepen their presence in high potential urban markets. Duroflex is one of the first few players in the Indian sleep and comfort solutions industry to introduce customer experience stores, having opened its maiden store in CY2019. These retail formats further reinforce the brand's credibility of delivering a superior customer experience, as reflected in their strong digital presence on Google Maps and positive customer reviews and ratings. The Duroflex group has an average Google Maps customer rating of 4.8 as of June 30, 2025. With an increasing focus on experience-led retail, COCO stores are expected to capture a 5% share (INR 14 billion) by FY2030, registering a CAGR of 15.7%.

E-commerce: E-commerce has grown significantly, from 7% (INR 8 billion) in FY2020 to 10% (INR 16 billion) in FY2025 and is projected to reach 13% (INR 35 billion) by FY2030, registering a CAGR of 16.6%. Growth has been fuelled by the rise of direct-to-consumer (D2C) brands, online marketplaces, and changing consumer behaviours. E-commerce caters primarily to urban, convenience-seeking, digitally savvy consumers who value product variety, transparency, and doorstep delivery. Online channels are particularly effective in reaching Tier 2/3 cities where offline brand presence may be limited. Duroflex (comprising Duroflex and Sleepyhead brands) is estimated to be among the top two players in the e-commerce modern mattress market as of FY2025. The company's queen-size mattresses have an average rating of 4.3 on India's leading two horizontal online marketplaces.

Institutional: This segment comprises of hotels, hospitals and other establishments and is largely volume driven. The institutional segment, accounting for 10% (INR 16 billion) as of FY2025, is projected to reach INR 24 billion by FY2030, growing at a CAGR of 8.4%.

Given the high-involvement nature of mattress purchases, where comfort and product quality are critical, an omnichannel strategy has become essential for modern mattress brands. Consumers often seek a mix of online convenience and offline experience before making a final decision. Leading players like Duroflex employ an omnichannel strategy that encompasses modern retail tie-ups (organised MBOs and EBOs including COCO experience stores), institutional sales, and D2C platforms, thereby creating a seamless purchase journey and consistent brand experience across all consumer touchpoints. Notably, Duroflex is among the very few players with a scaled presence across all channels, reinforcing its competitive edge and market leadership.

Exhibit 3.10: Breakdown of Modern Mattress Market in India based on Distribution Channel- By Value (FY2025)



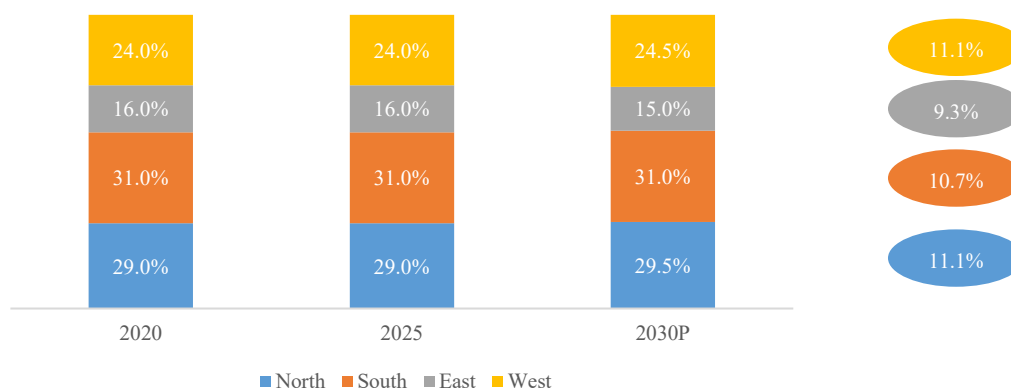
Source: The Knowledge Company Analysis

Note: % in the bubbles represent CAGR between FY2025 and FY2030.

Segmentation by Region

As of FY2025, South India accounts for the largest share of the modern mattress market in India, contributing approximately 31% of the market by value. The North, West, and East regions represent ~29%, ~24%, and ~16% respectively. By FY2030, the regional split is expected to remain broadly stable, with North at 29.5%, South at 31%, East at 15%, and West at 24.5%. South India, the largest regional market, is projected to grow, in line with the overall Indian modern mattress market. Between FY2025 and FY2030, the market is expected to grow at a CAGR of 11.1% in the North, 10.7% in the South, 9.3% in the East, and 11.1% in the West.

Exhibit 3.11: Regional breakup of the Modern Mattress Market in India – By Value (in %) (FY2025)



Source: The Knowledge Company Analysis

Note: % in the bubbles represent CAGR between FY2025 and FY2030.

South India includes states of Andhra Pradesh, Telangana, Karnataka, Kerala, and Tamil Nadu

West India includes states of Gujarat, Goa, Maharashtra, and Madhya Pradesh

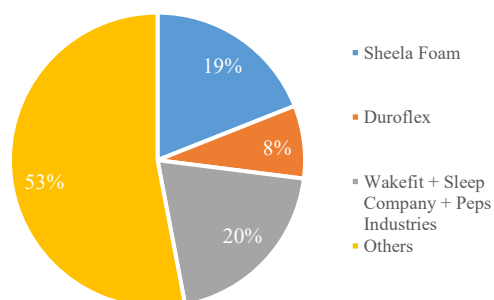
North India includes states of Himachal Pradesh, Punjab, Uttarakhand, Uttar Pradesh, Rajasthan, Haryana

East India includes states of Bihar, Odisha, Jharkhand, Chhattisgarh, West Bengal and 8 north eastern states

Key Players in the Industry

Nearly 60% (~INR 98 billion) of the modern mattress market in India is controlled by branded play. In the branded market, five leading brands namely Sheela Foam, Wakefit, Duroflex, Sleep company and Peps Industries command ~47% market share. Basis revenue from operations in FY2025, Sheela Foam has the highest market share by value of 19% within the branded modern mattress market. Duroflex is among the top three largest mattress companies in India, with a market share of 8% by value in branded modern mattress for Fiscal 2025.

Exhibit 3.12: Market share of Key Players in Branded Modern Mattress market in India- By Value (FY2025)



Source: The Knowledge Company Analysis

As of FY2025, the branded modern mattress market in South India is estimated at ~INR 30 billion. Wakefit, Duroflex, and Sheela Foam are among the leading brands in this region. Duroflex, with ~20% market share, is positioned among the top two players in the branded modern mattress segment in South India as of FY2025.

Key Growth Drivers

Population Growth

India's growing population base continues to fuel long-term demand for household essentials, including mattresses. As of CY2024, population stands at 1.44 billion and is projected to reach 1.50 billion by CY2029, as per IMF projections.

Rapid Urbanisation

India's urban population has been consistently growing over the years and stood at approximately 37% as of CY2024. It is projected to reach ~40.9% by CY2030. Furthermore, the number of metropolitan cities in India is estimated to increase from

46 (as per Census 2011) to 68 by CY2030. This rising urban migration is leading to a surge in residential real estate development, thereby driving the growth of modern mattresses in India.

Rising Disposable Income

The growing middle class, coupled with increasing purchasing power, is driving a shift in consumer preference towards branded and premium mattress offerings.

Increasing health consciousness among consumers

The Indian modern mattress market is witnessing a notable shift in consumer preferences, driven by rising health awareness. Consumers are increasingly recognizing the adverse effects of using low-quality mattresses, such as back pain, spinal issues, and poor sleep quality, and are seeking ergonomically designed and wellness-oriented products that offer superior comfort and support. This shift in consumer mindset is translating into a higher demand for branded, premium mattress offerings.

Nuclearisation

In India, the number of households has been growing at a faster rate than the overall population, indicating a shift towards nuclear families. The average household size has declined from 5.3 in FY2001 to 4.38 in FY2025 and is projected to further reduce to 3.9 by FY2030. As a result, the total number of households is expected to increase from ~300 million in FY2025 to ~386 million by FY2030. This shift is contributing to a steady increase in the number of households, thereby driving the demand for housing units and supporting increased discretionary spending on home-related categories, including modern mattresses.

Rapid growth in housing infrastructure

The Indian residential real estate sector has witnessed significant growth, driven by rapid urbanization, the nuclearization of families, and a rising working-age population. As a result, the sale of residential houses in India has grown in the past few years and is expected to grow substantially in the future. As of CY2024, ~3,13,825 units of houses were launched and ~3,21,546 units of houses were sold. Additionally, government-led policy initiatives such as Pradhan Mantri Awas Yojana-Urban 2.0, in which ~2.35 lakh houses have been approved for construction, are also going to boost the housing infrastructure in India. Such growth is going to drive the demand for modern mattresses in India.

Product Innovation

The Indian modern mattress market is witnessing growing demand for innovative offerings across price segments. Consumers are increasingly prioritizing comfort, functionality, and personalization in their sleep solutions. There has been a notable increase in demand for customized mattresses tailored to individual body types and sleeping patterns, with many consumers willing to pay a premium for a better and more comfortable sleeping experience. Owing to such a shift, manufacturers are coming up with new products, having superior functionalities and are adding innovation to their offerings. For instance, Duroflex has introduced a 100% natural latex range, developed through GOLS-certified (Global Organic Latex Standard) sourcing, highlighting the brand's focus on sustainability, material innovation, and enhanced comfort.

Financing Accessibility for Consumers

Growing availability of consumer credit, including zero-cost EMIs and buy-now-pay-later options, is reducing the upfront cost of mattresses. This is enabling households to choose branded products that offer enhanced comfort, durability, and design.

Key Threats and Challenges Transportation and Warehousing

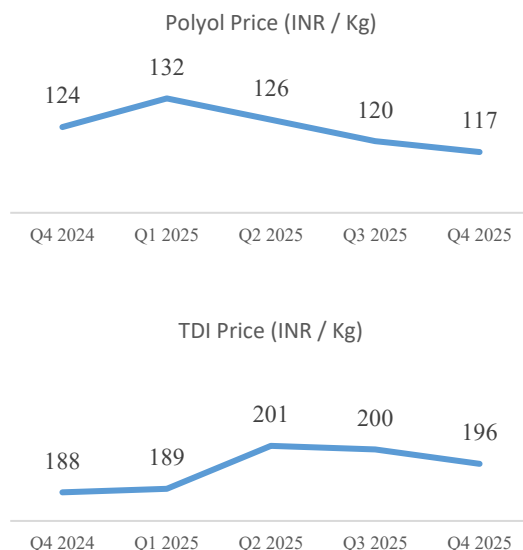
Due to the bulky nature of mattresses, transportation and warehousing pose significant challenges for manufacturers. At an industry level, these logistics costs constitute ~8–10% of overall mattress revenues. This acts as a limitation for many branded players to have a pan-India distribution and dealer network. However, innovations such as roll-packing and the “bed-in-a-box” format are increasingly helping players such as Duroflex optimize logistics and warehousing costs by enabling more efficient storage, easier handling, and broader reach through both offline and online channels. Notably, Duroflex was among the first two companies to launch compressed, roll-packed ‘bed-in-a-box’ mattresses in the Indian market.

Raw Material Price Risk

Raw material price volatility remains a significant risk for mattress manufacturers, particularly for major inputs like TDI (Toluene Diisocyanate) and Polyol. The prices of these inputs have exhibited substantial fluctuation over the years. For instance, TDI prices have remained volatile, rising from INR 188/kg in Q4 FY2024 to a peak of INR 201/kg in Q2 FY2025, before slightly easing to INR 196/kg in Q4 FY2025. Polyol prices, meanwhile, increased from INR 124/kg in Q4 FY2024 to INR 132/kg in Q1 FY2025, then gradually declined to INR 117/kg by Q4 FY2025. These volatility in prices poses key challenge to mattress manufacturers as increase in price of these raw materials leads to increase in raw material costs. This increase can either be passed on to the consumer or absorbed by the manufacturer or a combination of both. As per industry convention, the

corresponding increase in prices of raw materials are absorbed by the manufacturers, thereby impacting the overall profitability structure. Leading players such as Duroflex mitigate this risk through integrated PU foam manufacturing capabilities, giving them better control over supply availability, pricing stability, and cost management compared to players reliant on third party suppliers. Duroflex is one of two highly vertically integrated players in the industry, with 100% of its mattresses manufactured in-house. It is also one of only two leading mattress companies in India that manufacture their own branded foam and sell foam to other branded mattress companies. Leading players like Duroflex ensure that each product meets high standards of aesthetics, durability, and functionality through their robust design, engineering, and manufacturing capabilities.

Exhibit 3.11: Polyol Price (INR/Kg) and TDI Price (INR/Kg) from Q4 FY2024 to Q4 FY2025



Source – Secondary research and The Knowledge Company Analysis

Limited repeat purchases and retention challenges

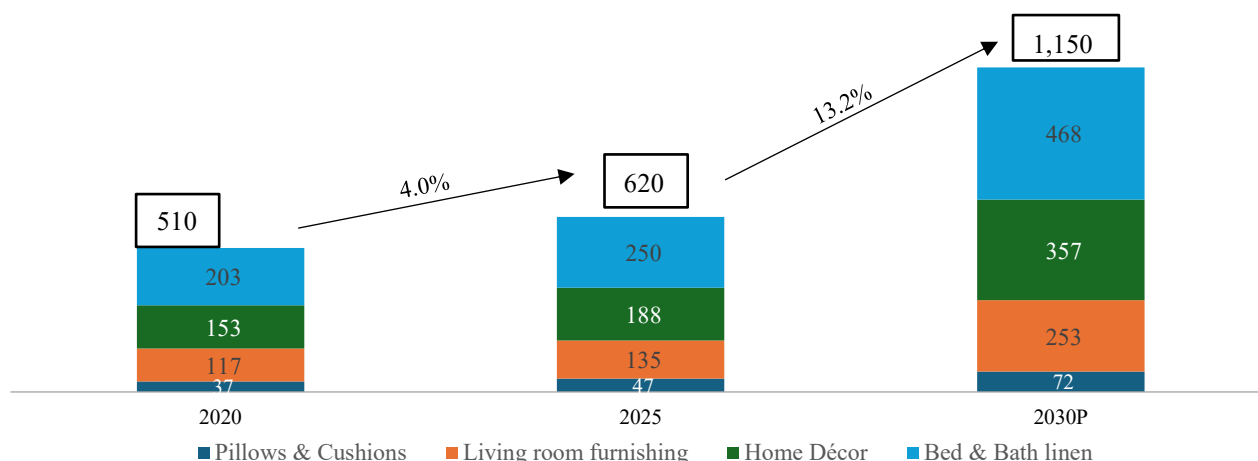
Mattresses have a long replacement cycle, leading to reduced repeat purchases and lower customer retention. This poses a long-term sustainability challenge for brands. To drive sustained revenue growth, companies must focus on continuous customer acquisition, cross-selling opportunities, and strong brand engagement. Leading players such as Duroflex address this risk by building a strong customer experience ecosystem, including omnichannel touchpoints and consultative selling. Additionally, they expand into adjacent sleep solutions (pillows, bedding, and accessories) to drive cross-selling, enhance customer stickiness, and create recurring revenue streams.

HOME COMFORT ACCESSORIES MARKET IN INDIA

Furnishing and Décor Market Size

The furnishing & décor segment accounts for ~21% of the overall home and furnishing market in India and can be further classified into pillows & cushions, living room furnishings, home décor, and bed & bath linen. Furnishings are a natural adjacency for mattress and furniture players, aligning with consumer demand for cohesive home solutions. A unified portfolio that integrates furnishings and décor with core product categories enables players to enhance brand relevance, deepen customer engagement, and drive higher wallet share.

Exhibit 4.1: Indian Furnishing and Décor Market – By Value (in INR billion) (FY); CAGR



Source: The Knowledge Company Analysis

Note: Living room furnishing includes curtains, sofa covers, carpets etc., home décor includes table lamps, wall lamps, wall clocks and other décor pieces, bed and bath lines includes bedsheets, blankets, comforters, towels etc.

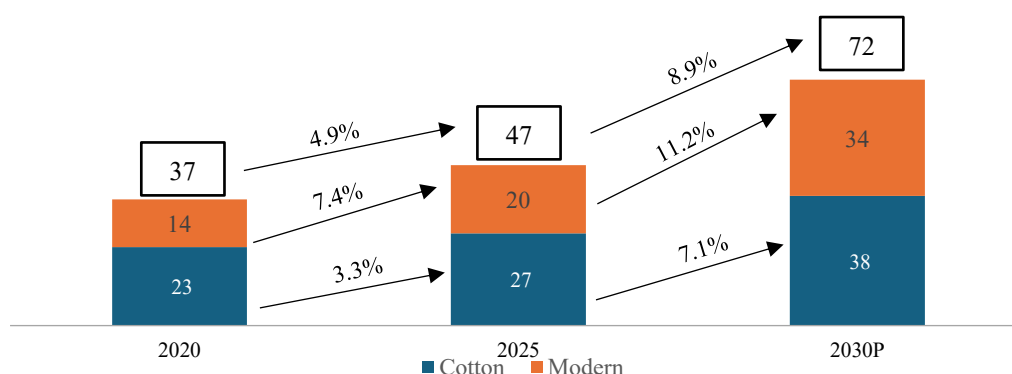
Key sub-categories of Furnishing and Décor related to Comfort and Home Care

Key sub-categories of Indian furnishing and décor market related to comfort and home care such as pillows and cushions, mattress protector and comforters, has witnessed significant transformation driven by rapid urbanization, rising disposable incomes, increased awareness around sleep health, and a shift toward branded and premium offerings. This segment involves a diverse range of products catering to different consumer needs such as comfort, posture support and temperature regulation. As a result, branded play becomes increasingly critical in building trust and ensuring consistent product performance. For instance, Duroflex offers a wellness-focused range of comforters and mattress protectors designed with antimicrobial fabrics and cooling technology to promote healthier sleep.

Indian Pillow and Cushion Market

Over the past few years, the Indian pillow and cushion market has demonstrated steady and resilient growth. The market expanded from INR 37 billion in FY2020 to INR 47 billion in FY2025, reflecting a CAGR of 4.9%. Going forward, the market is projected to accelerate, growing at a CAGR of 8.9% to reach INR 72 billion by FY2030. This growth trajectory is closely linked to trends in the mattress industry, as both product categories address the evolving consumer demand for comfort, health, and improved sleep quality. As consumers prioritize sleep wellness, the demand for integrated bedding solutions, comprising both mattresses and pillows, is expected to grow in tandem.

Exhibit 4.2: Indian Pillow & Cushion Market - By Value (in INR billion) (FY); CAGR

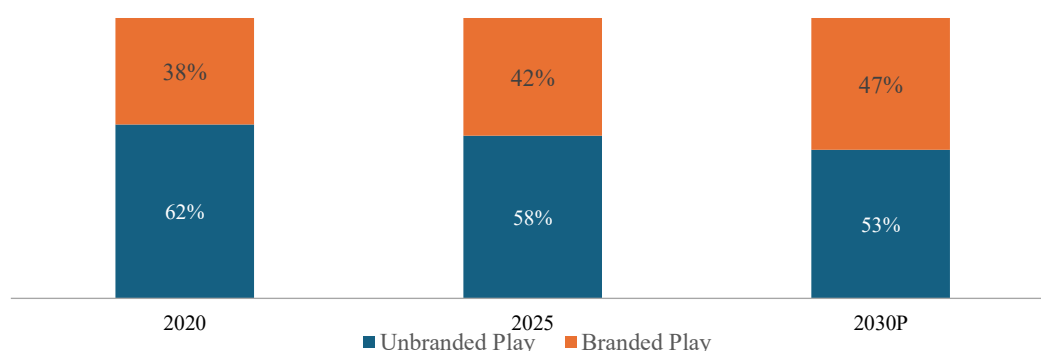


Source: The Knowledge Company Analysis

As of FY2025, the overall pillow and cushion market can be segmented into two categories:

- **Cotton pillows and cushions:** Contributing approximately 57% (INR 27 billion) of the market by value, this segment is largely driven by unbranded players catering to rural and semi-urban consumers, who prioritize affordability and traditional comfort.
- **Modern pillows and cushions:** Modern pillows and cushions include both traditional shapes and materials as well as advanced ergonomic designs with specialized fillings, offering enhanced comfort and support for sleep and rest. Accounting for the remaining 43% (INR 20 billion), this segment is witnessing strong adoption in metropolitan, mini-metro, and Tier I cities, supported by rising incomes, urban lifestyles, and increased health awareness.

Exhibit 4.4: Share of Branded Play in Modern Pillow and Cushion Market in India (in %) (FY)



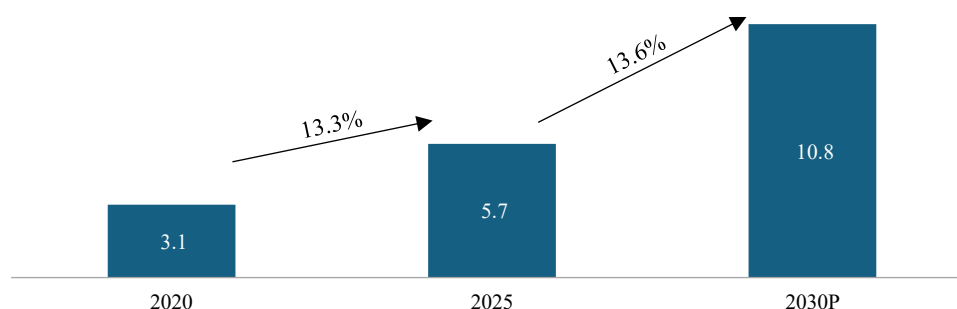
Source: The Knowledge Company Analysis

As of FY 2025, branded play controlled nearly 42% of the modern pillow & cushion market in India. This represents a significant increase from the market share of around 38% recorded in FY 2020, reflecting a notable growth trajectory for the branded market. The branded play is estimated to capture ~47% of the market share by FY 2030.

Indian Mattress Protector Market

The Indian mattress protector market has emerged as a high growth segment, driven by rising consumer focus on mattress hygiene, durability, and overall sleep health. These products help extend mattress life and keep them clean by protecting against spills, allergens, and everyday wear and tear. Driven by increasing urbanization, rising consumer awareness of sleep health, and a heightened focus on hygiene, the demand for high-quality mattress protectors in India is witnessing robust growth, reflecting the evolving preferences of modern Indian consumers. Between FY2020 and FY2025, the market expanded from INR 3.1 billion to INR 5.7 billion, registering a CAGR of 13.3%, and is projected to reach INR 10.8 billion by FY2030, growing at a CAGR of 13.6%.

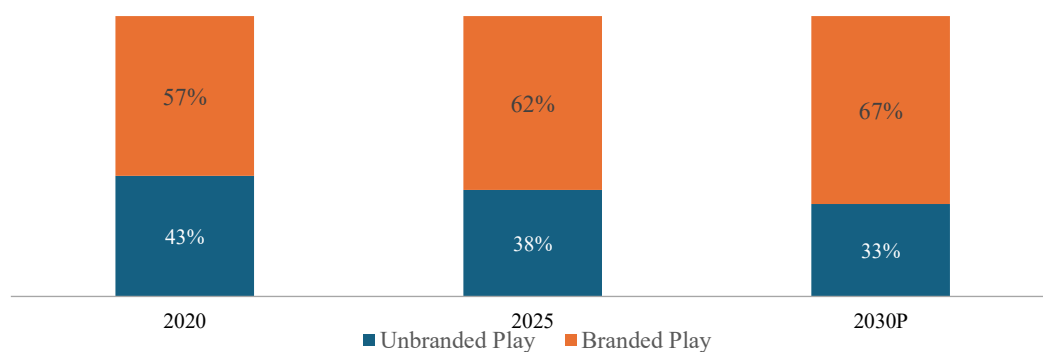
Exhibit 4.5: Indian Mattress Protector Market - By Value (in INR billion) (FY); CAGR



Source: The Knowledge Company Analysis

In FY 2025, branded mattress protectors made up around 62% of the total market, up from 57% in FY 2020. This trend shows that consumers increasingly prefer trusted brands that offer better quality, reliability, and features like water resistance and anti-allergy protection. By FY 2030, the branded segment is expected to grow to 67% of the market.

Exhibit 4.6: Share of Branded Play in Mattress Protector Market in India (in %) (FY)

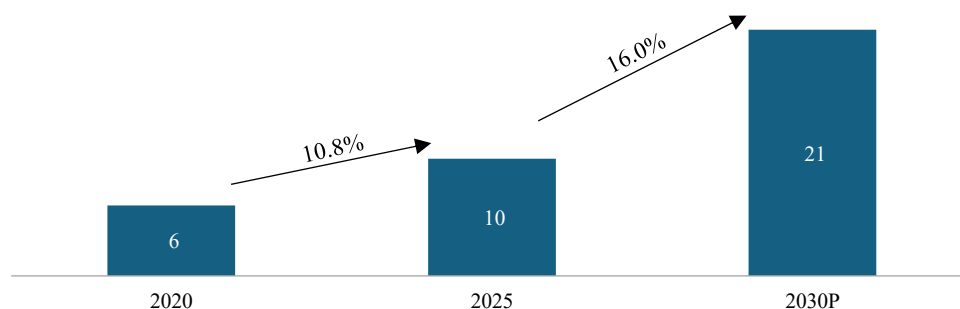


Source: The Knowledge Company Analysis

Indian Comforters Market

The comforters market in India is currently valued at INR 10 billion in FY2025, having grown from INR 6 billion in FY2020 at a CAGR of 10.8%. It is projected to further expand to INR 21 billion by FY2030, growing at a CAGR of 16.0%, driven by rising urbanization, increasing focus on health and hygiene, and growing preference for premiumisation.

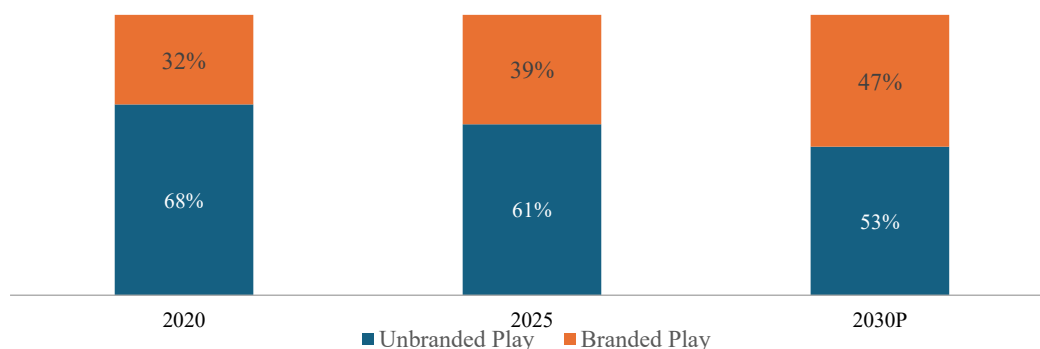
Exhibit 4.7: Indian Comforters Market - By Value (in INR billion) (FY); CAGR



Source: The Knowledge Company Analysis

In FY2025, branded comforters accounted for around 39% of the total market, up from 32% in FY2020. This indicates a growing consumer preference for trusted brands that offer superior quality, durability, and features such as enhanced warmth, softness, and easy maintenance. By FY2030, the branded segment is expected to capture approximately 47% of the market, reflecting continued momentum towards organized, branded offerings.

Exhibit 4.8: Share of Branded Play in Comforters Market in India (in %) (FY)



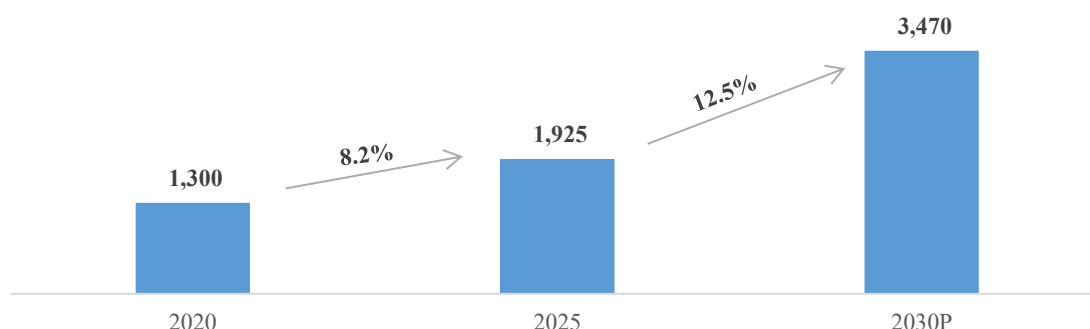
Source: The Knowledge Company Analysis

FURNITURE MARKET IN INDIA

Market Size

In FY2025, India's furniture market is estimated at approximately INR 1,925 billion, approximately 12 times the size of modern mattress market, having grown at a CAGR of ~8.2% from INR 1,300 billion in FY2020. The market is projected to reach approximately INR 3,470 billion by FY2030, growing at a CAGR of ~12.5%.

Exhibit 5.1: Indian Furniture Market Size- By Value (in INR billion) (FY)



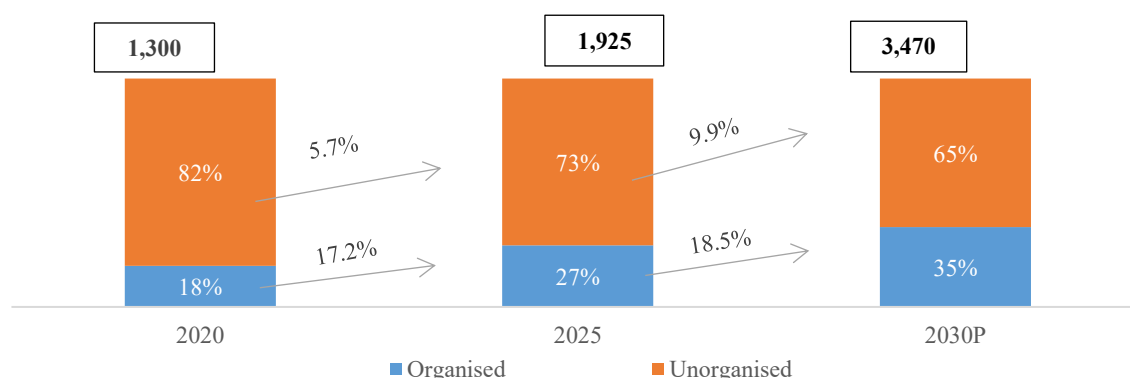
Source: The Knowledge Company Analysis, Secondary Research
Numbers in percentage represents CAGR

Segmentation by Industry Structure

The Indian furniture market is classified into organised and unorganised segments based on industry structure. The unorganised segment currently accounts for a majority share, driven by small-scale manufacturers, local carpenters, and regional retailers. However, the organised segment has been steadily gaining ground, supported by rising urbanisation, increasing consumer preference for branded products, and the rapid expansion of e-commerce and modern retail.

The organised segment grew from INR 235 billion in FY2020 to INR 520 billion in FY2025, recording a CAGR of 17.2%, and increased its share of the overall market to 27%. This growth trajectory is expected to continue, with the organised segment projected to reach INR 1,215 billion by FY2030, representing 35% of the market and registering a CAGR of ~18.5% over FY2025-30. The organised sector includes players like Godrej Interio, Nilkamal, IKEA, Durian, Pepperfry and Urban Ladder. Leading mattress players such as Duroflex, Sheela Foam, Wakefit, and Sleep Company are expanding into the furniture category, leveraging the natural adjacency and synergy between sleep solutions and home furnishing.

Exhibit 5.2: Breakup of Indian Furniture Market in Organised and Unorganised Market (in INR billion) (FY)



Source: The Knowledge Company Analysis, Secondary Research
Numbers in percentage represents CAGR

Segmentation by Product Type

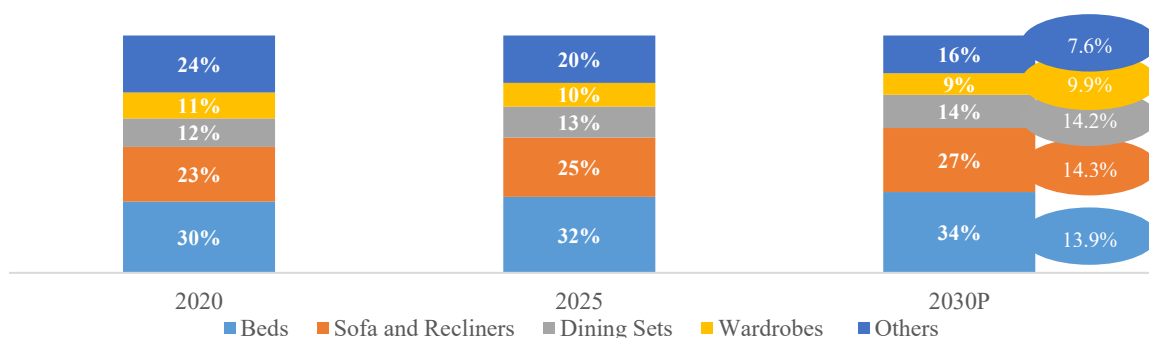
The Indian furniture market can be segmented by product type into sofas and recliners, beds, dining sets, wardrobes, and others. The “others” category comprises kitchen furniture, coffee tables, TV units, outdoor furniture (e.g., patio tables and chairs) and decorative furniture (e.g., bookshelves, racks, display cabinets).

In FY2025, beds accounted for the largest share, constituting 32% of the market (INR 615 billion). Sofas and recliners accounted for the second highest market share of 25% (INR 480 billion), out of which recliners accounted for 8% (INR 40 billion) in this category.

Both beds and sofas and recliners are considered luxury purchases and are being driven by increasing urban household formation, the growing adoption of branded products, lifestyle upgrades, higher disposable incomes, and the growing influence of global home décor trends. Looking ahead, by FY2030, share of beds is projected to increase to 34% (INR 1,180 billion), while sofa and recliners are projected to account for 27% (INR 937 billion) of the furniture market. Between FY2025 and FY2030, these categories are projected to grow at CAGRs of 13.9% and 14.3% respectively.

Products such as sofas and recliners are natural extensions for foam manufacturers like Duroflex, who leverage their expertise in foam technology to develop innovative and comfortable seating solutions. This synergy allows them to diversify revenue streams while capitalising on existing manufacturing capabilities.

Exhibit 5.3: Break down of Furniture Market in India based on Product Type- By Value (FY)



Source: The Knowledge Company Analysis, Secondary Research
Note: % in the bubbles represent CAGR between FY2025 and FY2030.

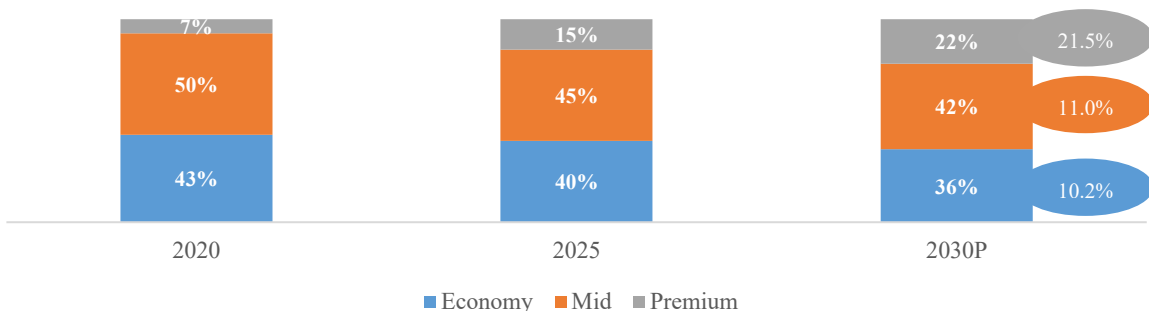
Segmentation by Price Points

The Indian furniture market can be segmented by price points into Economy (up to INR 20,000) Mid (INR 20,000-50,000), and Premium (above 50,000).

In FY2025, the Mid segment held the largest share at 45% (INR 866 billion), followed by Economy at 40% (INR 770 billion) and Premium at 15% (INR 289 billion).

The Premium segment has been the fastest growing category. Its share more than doubled from 7% (INR 91 billion) in FY2020 to 15% (INR 289 billion) in FY2025, registering a CAGR of 26.0%. Looking ahead, between FY2025 and FY2030, the premium segment is projected to grow at a CAGR of 21.5%, reaching 22% of the market (INR 763 billion) by FY2030.

Exhibit 5.4: Break down of Furniture Market in India based on Price Points- By Value (FY)



Source: The Knowledge Company Analysis, Secondary Research
Note: % in the bubbles represent CAGR between FY2025 and FY2030.

Segmentation by Channels

India's furniture market is undergoing a gradual transition in its distribution structure, shifting from a predominantly unorganised setup toward more diversified and organised formats, reflecting rising incomes, urbanisation, and consumer preference for standardised and design-led furniture.

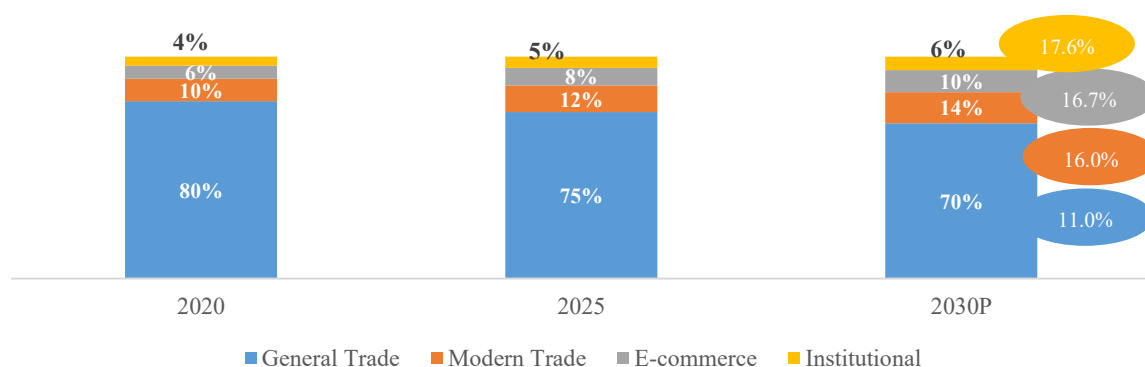
General Trade (75%): This channel remains the largest contributor, though its share has declined from 80% in 2020 and is expected to fall to 70% by 2030. The channel is dominated by local carpenters, small-scale workshops, and family-owned retailers.

Modern Trade (12%): Organised multi-brand outlets and exclusive brand outlets account for a growing share, projected to reach 14% by 2030. These formats support higher-value sales through structured retail environments and enhanced shopping experiences.

E-commerce (8%): Online sales have increased steadily, doubling their share from 6% in 2020 to a projected 10% by 2030. Digital platforms benefit from variety, convenience, and wider geographical reach, particularly in smaller cities.

Institutional (5%): This channel, driven by bulk demand from offices, hospitality, and educational establishments, is expected to rise modestly to 6% by 2030.

Exhibit 5.5: Break down of Furniture Market in India based on Distribution Channels- By Value (FY)



Source: The Knowledge Company Analysis, Secondary Research

Note: % in the bubbles represent CAGR between FY2025 and FY2030.

Key Trends and Growth Drivers

The Indian furniture market is witnessing steady growth, supported by structural demand drivers and evolving consumer preferences. Key factors influencing market expansion include:

Urbanisation and Housing Development: Rapid urbanisation, coupled with growth in nuclear households, is increasing demand for both essential and aspirational furniture. Rising residential property market, particularly in Tier 1 and Tier 2 cities, is further boosting replacement and first-time purchases.

Shift Towards Organised Retail: The share of the organised segment is growing steadily as consumers increasingly value product quality, durability, warranties, and after-sales service. This trend is being reinforced by the expansion of modern retail formats, omni-channel models, and brand-led showrooms.

Rising Disposable Incomes and Premiumisation: Higher household incomes are enabling consumers to upgrade to premium furniture with enhanced aesthetics, comfort features, and innovative materials such as engineered wood and high-resilience foam.

Financing Accessibility for Consumers: The expansion of consumer credit avenues, ranging from zero-cost EMIs to buy-now-pay-later schemes, is lowering the upfront cost barrier for furniture purchases. This is encouraging a shift towards branded products, as households can now prioritise comfort, durability, and aesthetics without immediate budget constraints.

Growing Online Penetration: Digital platforms are driving greater accessibility to a wide product range, transparent pricing, and customisation options, making online furniture a fast-growing sales channel.

Influence of Global Design Trends: Exposure to international furniture styles through e-commerce, travel, and media is shaping consumer tastes, leading to higher demand for contemporary, modular, and multifunctional designs.

Technology-Driven Comfort and Ergonomic Design: The Indian furniture and mattress market is witnessing rapid integration of technology and new-age design principles with user-centric functionality. Smart features such as powered bed adjustments, motorised recliners, and height/tilt control in seating are increasingly appealing to consumers seeking both convenience and wellness benefits. Ergonomically engineered products, developed with advanced foams, breathable materials, and compliance with global durability standards, are emerging as key differentiators in the premium segment. For instance, Duroflex's Avalon Posture Pro Motorised Recliner combines powered rocking and rotating capabilities with tailored ergonomic support and a breathable design, exemplifying how innovation and comfort are being merged to enhance user experience in this segment.

Government and Policy Support: Initiatives such as the Make in India programme and incentives for MSMEs in manufacturing are improving the competitiveness of domestic producers and encouraging capacity expansion. Additionally, the government is exploring an expansion of its Production-Linked Incentive (PLI) programme to include labour-intensive sectors such as furniture, in addition to leather and footwear. This recommendation, issued by NITI Aayog in its 'Trade Watch Quarterly' report (July 2025), aims to enhance the competitiveness and quality capabilities of MSMEs by supporting product upgrades, export readiness, and scalability through a proposed Quality Upgradation Fund.

Key Threats and Challenges

While the sector is witnessing steady growth, market participants must navigate certain structural and operational hurdles.

High Degree of Unorganised Competition: Despite the steady growth of the organised sector, a significant share of the market remains unorganised, dominated by local carpenters, small workshops, and regional brands. This limits price realisation potential for organised players and creates intense price-based competition.

Fragmented Supply Chain and Sourcing Constraints: The furniture sector relies heavily on fragmented supplier networks for raw materials such as wood, engineered boards, foam, and upholstery fabrics. Fluctuations in input availability and costs can impact margins, especially for players without backward integration.

High Logistics and Distribution Costs: Furniture is a bulky, non-standardised product category with high last-mile delivery costs and complex logistics. Limited adoption of efficient warehousing and transport infrastructure increases operational expenses.

Sensitivity to Real Estate and Economic Cycles: Furniture demand is closely tied to housing sales, office leasing, and discretionary spending. Economic slowdowns, real estate stagnation, or credit tightening can lead to deferred purchases, directly impacting volumes.

Low Brand Loyalty in Price-Sensitive Segments: In mid-to-low price segments, consumers often switch between organised and unorganised providers based on price and convenience, making it difficult to sustain long-term brand loyalty.

Route to Market

The route to market for furniture in India spans a mix of organised and unorganised channels. The unorganised segment, comprising local brick-and-mortar outlets and small-scale businesses, continues to dominate with ~73% share. These players cater to localised demand, often a wide range of furniture options at competitive prices but with limited standardisation of quality or brand recall. The organised furniture market, accounting for ~27% of sales in FY2025, include exclusive brand showrooms and large-format chain retailers (e.g., Godrej Interio, Nilkamal, Durian). These players focus on curated product ranges, consistent quality, and enhanced shopping experiences, strengthening brand loyalty. E-commerce platforms such as IKEA, Pepperfry, Urban Ladder, etc., have further expanded reach, offering consumers the convenience of browsing extensive catalogues online.

The modern mattress market follows a similar route-to-market structure, with the unorganised segment (~68% share) led by local mattress dealers, and the organised segment (~32% share) represented by specialty mattress retailers and D2C e-commerce brands.

A notable commonality is that mattresses and bed frames are often retailed together as part of a cohesive "sleep system", allowing consumers to purchase all key bedroom components in one place. Many organised furniture retailers stock mattresses, while leading mattress brands also showcase bed frames and bedroom furniture.

This overlap enables:

- cross-selling opportunities
- Retail space efficiency
- Strengthened “complete home solution” positioning

The **shared route-to-market creates strategic synergy**: mattress brands can leverage established furniture distribution to expand product portfolios, while furniture brands can deepen customer engagement by offering complementary sleep products.

Total Addressable Market (TAM) for Leading Mattress Players

TAM for leading mattress players such as Duroflex, which are expanding into adjacent categories including sofas, beds, and home comfort, was valued at INR 1,357 billion in FY2025, reflecting a CAGR of 9.60% from INR 858 billion in FY2020. The market is further projected to grow at a CAGR of 13.65%, reaching INR 2,573 billion by FY2030.

Exhibit 5.6: TAM for Key Categories for Leading Mattress Players (in INR billion) (FY)

Category	2020	2025	2030 P	CAGR 2020-2025	CAGR 2025-2030 P
PU Foam Market					
Mattress and Furniture Flexible Slab-stock PU Foam	38	63	119	10.64%	13.56%
Mattress Market					
Modern Mattress	108	163	271	8.58%	10.70%
Home Comfort and Accessories Market					
Modern Pillow & Cushion	14	20	34	7.39%	11.20%
Mattress Protector	3.1	5.7	10.8	13.32%	13.63%
Comforters	6	10	21	10.76%	16.00%
Furniture Market					
Beds	390	615	1,180	9.54%	13.92%
Sofas & Recliners	299	480	937	9.93%	14.31%
Total Addressable Market (TAM)	858	1,357	2,573	9.60%	13.65%

Source: The Knowledge Company Analysis, Secondary Research

Operational Benchmarking

The mattress and foam industry in India is a fast-evolving sector driven by increasing consumer awareness around health and wellness, rising disposable incomes, and a growing preference for comfort-centric and orthopedic bedding solutions underscoring branded products within the organized sectors. The industry primarily comprises two key segments: mattresses (including coir, foam, spring, latex and hybrid varieties) and PU foam, which finds applications in mattresses, furniture, automotive products, and packaging. Although the unbranded play still holds a large share, particularly in foam production and low-cost mattresses, the branded segment is rapidly expanding with very few players like Duroflex, Sheela Foam etc. having capabilities to manufacture both foam and mattresses led by product innovation, better consumer outreach, and digital transformation. Legacy brands like Sleepwell and Duroflex are among the earliest established branded players in the mattress industry and remain dominant players across both mattresses and PU foam backed by integrated manufacturing and extensive retail networks. On the other hand, a new wave of direct-to-consumer (D2C) brands such as Wakefit, and The Sleep Company has disrupted the market with competitive pricing, strong digital marketing strategies, and innovations like smart grid technology and roll-packed mattresses to attract modern consumers.

Exhibit 6.1: Company Overview

Key Players	Operating Company	Year of Inception	Key Brands	Key Categories Present in
Duroflex	Duroflex Ltd	1981*	Duroflex	Mattress, PU foam, Furniture, Bed Linens, Comforter, Pillows
			Sleepyhead	Mattress, Furniture, Comforter, Pillow, Cushion, Bed linen
			Perfect Rest	Mattress
			Durofoam	PU foam and other foam products
Sheela Foam Limited	Sheela Foam Ltd	1971	Sleepwell	Mattress, Comforter, Bed linen, Pillows, Furniture foam
			Kurlon	Mattress, Pillow
			Komfort Universe	PU foam and other foam products
			Feather Foam	Mattress, Pillow, Sofa-Cum Bed, Furniture Foam
			Lamiflex	Polyether/ Polyester foam for lamination
			Furlenco	Furniture, Mattress
			Starlite	Mattress, Pillow, Sofa-Cum Bed, Cushion

Key Players	Operating Company	Year of Inception	Key Brands	Key Categories Present in
			Joyce	Flexible polyurethane foam- Leading brand in Australia
			Interplasp	Flexible polyurethane foam- Leading brand in Europe based out of Spain
			Spring Air	Mattress
			Home Komforts	Sofa, Bed Frame, Storage, Table
Wakefit	Wakefit Innovations Ltd.	2016	Wakefit	Mattress, Furniture, Cushion, Serve ware, Tableware, Pillows, Dinnerware, Comforter, Cookware, Wall décor, Office Chair
Peps Industries	Peps Industries Pvt. Ltd	2005	Peps	Mattress, Pillow, Bed linen, Bolster, Cushion, Mattress protector, Comforter
The Sleep Company	Comfort Grid Technologies Pvt. Ltd	2019	The Sleep Company	Mattress, Sofa Cum Bed, Furniture, Gaming chair, Bed linen, Pillow, Cushion, Comforter

Source: Company websites and Annual reports

*Duroflex has a continuing legacy of over 60 years, with its predecessor entity having been established in 1963 and Duroflex Private limited was established in 1981.

Few players in India's mattress industry such as Sheela foam, Duroflex etc. offer a comprehensive range of product categories designed to meet the shifting preferences of modern consumers. Their primary product lines include mattresses, PU foam which is used in various home care products such as mattress, quilts, bed linen, comforter etc. as well as in furniture and furnishings such as sofa, bed, etc.

Exhibit 6.2: Product portfolio mapping of key players

Key Players	Home Comfort				PU Foam				Furniture			
	Mattress	Mattress cover	Pillow/ Cushion	Bedding/ Linen	Comfort Foam	Technical Foam	Bed Frame	Sofa	Table	Chair	Storage	Recliner
Duroflex										-		
Sheela Foam												
Wakefit					-	-						
Peps Industries					-	-	-	-	-	-	-	-
The Sleep Company					-	-			-		-	

Source: Company websites and Annual reports

Leading brands offer mattresses in varying sizes and thicknesses to cater to diverse consumer needs. Duroflex has the largest range of mattresses with 67 options, well ahead of Sheela Foam (33) and Wakefit (9). A broader portfolio allows players like Duroflex to address multiple customer segments, enhancing choice, comfort, and accessibility.

Exhibit 6.3: Range of Mattress Offerings by Leading Brands

Player	Duroflex	Sheela Foam	Wakefit	Peps Industries	The Sleep Company
No. of Offerings	67	33	9	9	14

Source: Company websites, The Knowledge Company Analysis

Key players in the mattress industry in India are rapidly enlarging their physical presence through a combination of company-owned and franchise formats to tap into growing demand across urban and semi-urban markets. Duroflex and other competitors are scaling their presence, particularly through Trade Stores, with Duroflex having second highest number of stores after Sheela Foam and has 5,576 trade stores of which around 60% are concentrated in South India. Also, Duroflex is one of the few brands with a strong omnichannel presence and has significantly scaled presence across both online and offline channels. Sheela Foam and Kurlon are among the leading national brands, collectively operating over 22,000 trade stores across the country. While the preferred formats for expansion for key players include MBOs, EBOs and through exclusive dealership of brands with retailers, players are increasingly adopting omnichannel strategies, blending their offline presence with digital platforms to offer customers a seamless shopping experience and reach untapped markets efficiently. As of FY2025, Duroflex products were available in over 5,408 trade stores, making it the second broadest distribution network in the Indian sleep and comfort solutions industry after Sheela Foam Limited. As of June 30, 2025, Duroflex products were offered in over 5,576 trade stores across 280+ cities.

Exhibit 6.4: Distribution reach of key players (FY 2025)

Player	Geographical Presence (Cities & States)	Distributors/Dealers	Trade Stores	COCOs
Duroflex	280+ cities, 24 states	-203 distributors for mattresses, furniture and accessories -146 distributors for foam products	5,408 trade stores	71 stores
Sheela Foam Limited	3,800+ towns, 20 states	125+ distributors, 13,000+ dealer touchpoints	16,000+ MBOs, 6000+ EBOs	29 stores

Player	Geographical Presence (Cities & States)	Distributors/Dealers	Trade Stores	COCOs
Wakefit	COCOs- 35 cities, 18 states & 2 UTs, MBOs- 278 cities, 24 states & 3 UTs	-	1,107 MBOs	98 stores
Peps Industries	-	6,000 retail partners	150 EBOs	-
The Sleep Company	49 cities, 16 states	-	-	170 stores

Source: Company websites and Annual reports

Note: Data for Wakefit is for 9M FY 2025 (till Dec 2024). Also, for Duroflex, Trade Stores count includes MBOs and EBOs count for FY 2025

Exhibit 6.5: Regional skew/focus of key players

Key Players	Regional Skew/focus
Duroflex	Pan India Presence- South India contributes to ~60% in total store count (includes Trade Stores, Distributors and COCOs) Revenue split of mattress- North (8%), South (73%), East (6%), West (13%)
Sheela Foam Limited	Pan India presence Revenue Split of mattress- North (37%), South (33%), East (15%), West (15%)
Wakefit	Pan India presence - predominantly South
Peps Industries	Predominantly in South India Holds ~70%-75% of total revenue share from South India
The Sleep Company	Predominantly in South, North and West India

Source: Company websites and Annual reports

In India's mattress industry, the sales channel mix varies significantly among key players reflecting their brand positioning, regional strengths, and expansion strategies. Duroflex, while also present nationally has focused on scaling through EBOs and MBOs and emphasizing regional dominance before broader national expansion along with its digital-first brand Sleepyhead which is one of the fastest growing online mattress brands serving younger, budget-conscious audiences. In contrast, major players like Sheela Foam (including Kurlon) maintain a strong offline presence across the country through an extensive network of Multi-Brand Outlets (MBOs), Exclusive Brand Outlets (EBOs), and a wide dealer distribution system, allowing them to reach deep into urban and semi-urban markets. Meanwhile, newer and digitally native brands like Wakefit and The Sleep Company have adopted a more online-first approach, relying heavily on e-commerce and D2C channels, complemented by select offline experience centres to build trust and brand awareness.

Exhibit 6.6: Channel mix of key players

Key Players	COCO	Trade Stores	Online (Website/Ecommerce)	Institutional
Duroflex	✓✓	✓✓✓	✓✓	✓✓
Sheela Foam Limited	✓	✓✓✓	✓	✓✓
Wakefit	✓✓✓	✓✓	✓✓✓	✓
Peps Industries	✓	✓✓✓	✓	✓✓
The Sleep Company	✓✓✓	✓	✓✓✓	-

Source: The Knowledge Company Analysis

Note-Trade Stores include MBOs and EBOs

Backward integration is a key strategic focus for leading players in the Indian mattress industry, as it offers enhanced control over product quality, cost optimization, and supply chain stability. Duroflex has strengthened its backward integration by establishing its own PU foam production facilities, with a capacity exceeding 36,000 MT, enabling better quality control and cost efficiency. Likewise, Sheela Foam through its flagship brand Sleepwell, along with Kurlon, stands out as one of the most vertically integrated players in the sector that manufactures a broad range of PU foam and related components in-house, giving it a competitive advantage in terms of consistency, innovation, and margin management. In contrast, The Sleep Company has not yet adopted backward integration and largely rely on third-party suppliers for raw materials, focusing instead on design, branding, and enhancing the customer experience.

Exhibit 6.8: Manufacturing capacities and capabilities of key players

Key Players	Manufacturing Capacities and Capabilities
Duroflex	10 Manufacturing plants, across 7 locations in 3 states: Tamil Nadu, Telangana and Madhya Pradesh 2 foam manufacturing plants – one in Tamil Nadu and other in Madhya Pradesh with a manufacturing capacity of 21,624 MT & 14,412 MT respectively in FY 2025 3 foam sheet manufacturing plants – one each in Tamil Nadu, Telangana, Madhya Pradesh with a manufacturing capacity of 13,008 MT, 3,252 MT & 13,008 MT respectively in FY 2025

Key Players	Manufacturing Capacities and Capabilities
	4 mattress manufacturing plants – 3 in Tamil Nadu and one in Madhya Pradesh with a manufacturing capacity of 1,356,480 mattresses (inclusive of all locations in Tamil Nadu), & 5,55,552 mattresses (inclusive of all locations in Madhya Pradesh) respectively in FY 2025 1 sofa manufacturing plant in Tamil Nadu with a manufacturing capacity of 1,24,416 seats in FY 2025
Sheela Foam Limited	12 units in India with a total integrated capacity of 1,39,000 MTPA 5 units in Australia with a total capacity of 16,000 MTPA 1 unit in Spain with a capacity of 22,000 MTPA Kurlon- 10 Manufacturing units across Karnataka, Odisha, Gujarat, Madhya Pradesh and Uttarakhand
Wakefit	5 manufacturing units of which- 2 in Karnataka producing chairs and accessories, 2 in Tamil Nadu producing furniture and mattress 1 in Haryana producing mattress and sofa
Peps Industries	4 Manufacturing units in Pune, West Bengal, Delhi and Coimbatore
The Sleep Company	1 Manufacturing unit in Maharashtra

Source: Company websites and Annual reports

Exhibit 6.9: Backward integration of key players

Key Players	Extent of Backward Integration
Duroflex	Manufacturing of PU foam with an annual production capacity of 36,000+ MT that includes- - Cushioning foams sold under the brand name Touch, Rex, Hi Tech and Sette used for sofas, furniture cushioning and bedding - Producing comfort foams which is used for comfort layer in mattresses, mattress toppers, quilting, pillows, garments & packaging industry - Technical foams produced specialises in industrial applications such as automotive and transport industry, furniture and bedding and acoustic & genset applications. Manufacturing of Foam sheets with an annual production capacity of 29,000+ MT Manufacturing of Mattress with an annual production capacity of 19L + units - PU foam flat pack mattress - PU foam roll pack mattress - Spring Mattress - Coir mattress Manufacturing of Sofas & Recliners with an annual production capacity of 1.87L+ seats
Sheela Foam Limited	- Production of Comfort foam used for manufacturing of mattresses, sofas, and other similar goods with a total volume of 22,793 MT in FY 2025 - Producing technical foam which is used in multiple industries such as home furnishings, automobile seating, apparel and accessories, auditoriums, and hospital beds with a total volume of 17,498 MT in FY 2025 - Furniture cushioning are integral components of an array of furnishings such as sofa sets, chairs, custom sofas, sofa-cum-beds, and more, with a total volume production of 5,697 MTPA in FY 2025 - Producing PU foam and Rebonded foam which is used to produce mattresses and other soft furnishing products and sold by a whole-owned subsidiary named Komfort Universe
Wakefit	In-house manufacturing of furniture including various integrated processes like design, manufacturing, packaging, etc.
Peps Industries	Manages the entire manufacturing process from wire drawing to final packaging in the spring mattress segment
The Sleep Company	Not backward Integrated yet

Source: Annual reports and Secondary Research

FINANCIAL BENCHMARKING

Revenue from Operations

Revenue from operations serves as the primary indicator for assessing a company's financial performance. This metric acts as the indicator of business success, illustrating the company's capacity to generate income through its core activities. It shows how efficiently the business is performing in its primary operations. Duroflex recorded the second-highest revenue among its peers in FY2024 and is the fastest growing mattress company with a CAGR of 21.81% between FY 2020 and FY 2025 as compared to its listed peer.

Exhibit 7.1: Revenue from Operations (INR Million)

Key Players	Fiscal 2020	Fiscal 2023	Fiscal 2024	Fiscal 2025	CAGR 2020-2025
Duroflex	4,230.00	10,574.87	10,952.96	11,342.50	21.81%
Sheela Foam	21,736.34	28,733.20	29,823.10	34,391.90	9.61%
Wakefit	1,974.46	8,126.20	9,863.53	NA	NA
The Sleep Company	7.41	1,271.42	3,123.32	NA	NA
Peps Industries	3,041.33	3,993.42	3,678.91	NA	NA

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports

NA: Not Available, Na(1): Can't be calculated due to unavailability, negative numerator, denominator or both.

Figures for Sheela Foam are excluding that of Kurlon for FY 2020 and FY 2023. For FY24, Kurlon numbers are included from date of acquisition i.e. 11-Oct-23 i.e. for about 6-months while FY25 includes Kurlon numbers for full year. To the extent that the Sheela Foam Limited have published the above ratios or financial information in their regulatory filings/ website, the same have been disclosed on an as is basis and may not be comparable to the method of computation used by us.

All figures are Consolidated except for The Sleep Company, Wakefit, Peps Industries

Figures for Sheela Foam has been considered as reported in annual report/investor presentation Players have been shortlisted above revenue threshold of INR 3,000 million

Gross Profit and Gross Profit Margin

Gross profit represents the earnings retained after deducting the cost of goods sold, while the Gross Profit Margin indicates the share of revenue converted into gross profit, reflecting operational efficiency. Duroflex recorded a Gross Profit of INR 4,871.54 million in FY2025 with a Gross Profit Margin of 42.95%. On a consolidated basis, because of PU foam business Duroflex and Sheela Foam recorded relatively lower Gross Profit Margins. However, owing to its premium positioning, Duroflex is able to command highest gross margin compared to its listed mattress peer in FY 2025.

Exhibit 7.2: Gross Profit (INR Million) and Gross Profit Margin

Key Players	Fiscal 2023		Fiscal 2024		Fiscal 2025		CAGR 2023-2025
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	
Duroflex	4,524.56	42.79%	4,822.09	44.03%	4,871.54	42.95%	3.76%
Sheela Foam	10,854.30	37.78%	12,321.60	41.32%	14,335.70	41.68%	14.92%
Wakefit*	3,466.49	42.66%	5,213.31	52.85%	NA	NA	50.39%
The Sleep Company*	676.20	53.18%	1,675.90	53.66%	NA	NA	147.84%
Peps Industries*	1,801.76	45.12%	1,587.01	43.14%	NA	NA	-11.92%

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports

NA: Not Available, Na(1): Can't be calculated due to unavailability, negative numerator, denominator or both.

All figures are Consolidated except for The Sleep Company, Wakefit, Peps Industries

*CAGR is considered for FY23-FY24, for rest CAGR is considered for FY2023-FY2025

Gross Profit is calculated as revenues from operations less the cost of goods sold. Cost of goods sold is the sum of cost of materials consumed, Purchase of stock-in-trade and changes in inventories of finished goods, semi-finished goods and stock in trade (excluding certain other direct expenses such as employee benefit expenses and other expenses).

Gross Margin=(Gross Profit / Revenue from Operation)*100

Operating EBITDA and Operating EBITDA Margin

Operating EBITDA a measure of operating profitability that reflects earnings from core business activities before financing costs, taxes, and non-cash charges. Operating EBITDA Margin indicates how efficiently a company converts revenue into operating profit before interest, taxes, and non-cash expenses. Duroflex recorded an Operating EBITDA of INR 440.69 million in FY 2023 with an Operating EBITDA Margin of 4.17%, which improved to INR 516.39 million with a margin of 4.72% in FY 2024, and further increased to INR 792.80 million with an Operating EBITDA Margin in FY 2025 of 6.99% showing highest improvement in Operating EBITDA Margin compared to its listed peer. Duroflex also achieved the highest Operating EBITDA CAGR of 34.13% over the period of FY 2023 to FY 2025 in comparison with its listed peer.

Exhibit 7.3: Operating EBITDA (INR Million) and Operating EBITDA Margin

Key Players	Fiscal 2023		Fiscal 2024		Fiscal 2025		CAGR 2023-2025
	Operating EBITDA	Operating EBITDA Margin	Operating EBITDA	Operating EBITDA Margin	Operating EBITDA	Operating EBITDA Margin	
Duroflex	440.69	4.17%	516.39	4.72%	792.80	6.99%	34.13%
Sheela Foam	2,981.60	10.38%	3,005.40	10.08%	2,499.20	7.27%	-19.30%
Wakefit*	-931.41	-11.46%	348.68	3.54%	NA	NA	Na(1)
The Sleep Company*	-367.85	-28.93%	-585.85	-18.76%	NA	NA	Na(1)
Peps Industries*	283.61	7.10%	151.83	4.13%	NA	NA	-46.47%

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports

NA: Not Available, Na(1): Can't be calculated due to unavailability, negative numerator, denominator or both.

All figures are Consolidated except for The Sleep Company, Wakefit, Peps Industries

*CAGR is considered for FY2023-FY2024, for rest CAGR is considered for FY2023-FY2025

Operating EBITDA=(Finance Cost + Depreciation & Amortisation + PBT) - Other Income

Operating EBITDA Margin= Operating EBITDA/Revenue from Operations

PAT and PAT Margin

PAT reflects a company's net earnings after accounting for all expenses, taxes, and interest, while the PAT Margin indicates the percentage of revenue from operations retained as net profit which highlights the overall profitability and financial health of a business. Duroflex recorded PAT of INR 112.00 million in FY 2024 with a PAT Margin of 1.02%, which further improved to INR 471.63 million in FY 2025 with a PAT Margin of 4.16% which is consequently highest relative to its listed peer. In FY 2025, Duroflex has the highest PAT Margin amongst companies with revenue greater than INR 5,000 million in mattress and home furnishing segment.

Exhibit 7.4 PAT (INR Million) and PAT Margin

Key Players	Fiscal 2023		Fiscal 2024		Fiscal 2025		CAGR 2023-2025
	PAT	PAT Margin	PAT	PAT Margin	PAT	PAT Margin	
Duroflex	(154.74)	-1.46%	112.00	1.02%	471.63	4.16%	Na(1)
Sheela Foam	2,008.40	6.99%	1,839.30	6.17%	967.00	2.81%	-30.61%
Wakefit*	(1,456.83)	-17.93%	(150.53)	-1.53%	NA	NA	-89.67%
The Sleep Company*	(370.62)	-29.15%	(586.96)	-18.79%	NA	NA	58.37%
Peps Industries*	184.53	4.62%	376.93	10.25%	NA	NA	104.27%

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports

NA: Not Available, Na(1): Can't be calculated due to unavailability, negative numerator, denominator or both.

All figures are Consolidated except for The Sleep Company, Wakefit, Peps Industries

Figures for Sheela Foam has been considered as reported in annual report /investor presentation

*CAGR is considered for FY23-FY24, for rest CAGR is considered for FY2023-FY2025

PAT Margin =PAT / (Revenue From operations)

Return on Equity

ROE measures a company's ability to generate net profits from shareholders' equity, indicating the efficiency with which equity capital is employed to create value. Duroflex reported an improvement in ROE, rising from 3.28% in FY 2024, further strengthening to 12.72% in FY 2025, the highest when compared to peers with revenue of more than INR 5,000 million, reflecting a notable turnaround in shareholder returns.

Exhibit 7.5: Return on Equity

Key Players	Fiscal 2023	Fiscal 2024	Fiscal 2025
Duroflex	-4.47%	3.28%	12.72%
Sheela Foam	13.30%	6.08%	3.40%
Wakefit	-34.42%	-2.87%	NA
The Sleep Company	-63.95%	-35.69%	NA
Peps Industries	11.67%	19.19%	NA

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports

NA: Not Available, Na(1): Can't be calculated due to unavailability, negative numerator, denominator or both.

All figures are Consolidated except for The Sleep Company, Wakefit, Peps Industries

Figures for Sheela Foam has been considered as reported in annual report/investor presentation

ROE=(PAT/ Avg total equity attributable to owners of the Company as at the end of the period)*100

Return on Capital Employed

ROCE evaluates a company's ability to generate operating profits from the total capital employed, offering insight into overall capital efficiency. Duroflex reported a steady improvement in ROCE, increasing from 2.63% in FY 2023, further rising to 5.59% in FY 2024, and reaching 14.90% FY 2025.

Exhibit 7.6: Return on Capital Employed

Key Players	Fiscal 2023	Fiscal 2024	Fiscal 2025
Duroflex	2.63%	5.59%	14.90%
Sheela Foam	14.80%	7.90%	5.80%
Wakefit	-36.93%	0.50%	NA
The Sleep Company	-27.22%	-24.81%	NA
Peps Industries	14.65%	19.48%	NA

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports

NA: Not Available, Na(1): Can't be calculated due to unavailability, negative numerator, denominator or both.

All figures are Consolidated except for The Sleep Company, Wakefit, Peps Industries,

Figures for Sheela Foam has been considered as reported in annual report/investor presentation

$ROCE = \frac{EBIT (\text{Profit attributable to owners} + \text{Tax expenses} + \text{Finance Cost})}{\text{Capital Employed} (\text{Total equity} + \text{Total borrowings} - \text{Goodwill} - \text{Other Intangible assets} - \text{Intangible assets under development} - \text{Deferred tax assets})}$

Net Working Capital Days

The working capital cycle represents the number of days a company takes to convert its net current assets into cash. It indicates how efficiently a business manages its short-term liquidity. Duroflex's working capital days improved consistently, reducing from 18.61 days in FY 2023 to 13.84 days in FY 2024 and further to 12.18 days in FY 2025.

Exhibit 7.7: Net Working Capital Days

Key Players	Fiscal 2023	Fiscal 2024	Fiscal 2025
Duroflex	18.61	13.84	12.18
Sheela Foam	NA	NA	NA
Wakefit	20.44	6.91	NA
The Sleep Company	-1.12	-3.57	NA
Peps Industries	98.48	129.82	NA

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports

NA: Not Available, Na(1): Can't be calculated due to unavailability, negative numerator, denominator or both.

All figures are Consolidated except for The Sleep Company, Wakefit, Peps Industries

Average Net Working Capital = Inventories + Trade Receivables - Trade Payables

Net Working Capital Days = (Average Net Working Capital / Revenue from operations) * Days in a year

Net Cash generated from Operating Activities

Net cash generated or used by operating activities is a company's core operating activity during a period. Net cash generated from operating activities for Duroflex stood at INR 704.05 million in FY 2023 and reached INR 1,082.03 million in FY 2025.

Exhibit 7.8: Net Cash Generated from (Used by) Operating Activities

Key Players	Fiscal 2023	Fiscal 2024	Fiscal 2025
Duroflex	704.05	471.60	1,082.03
Sheela Foam	2,175.60	4,059.50	2,523.30
Wakefit	-204.63	805.93	NA
The Sleep Company	-449.21	-605.13	NA
Peps Industries	160.85	-78.36	NA

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports

NA: Not Available, Na(1): Can't be calculated due to unavailability, negative numerator, denominator or both.

All figures are Consolidated except for The Sleep Company, Wakefit, Peps Industries

Figures for Sheela Foam has been considered as reported in annual report/investor presentation

Advertisement and sales promotion expenses and Advertisement and sales promotion expenses as a percentage of revenue from operations

Advertisement and sales promotion expenses refers to the total financial outlay a company allocates to marketing activities such as advertising, promotions, digital campaigns, sponsorships, and brand-building initiatives, aimed at generating awareness, leads, and sales. Advertisement and sales promotion expenses as a percentage of revenue from operations measures the returns achieved from these marketing efforts, typically expressed as revenue, profit, or leads per unit of marketing spend, thereby indicating the efficiency and effectiveness of the company's marketing investments. In FY 2025, advertisement and sales promotion expenses for Duroflex stood at INR 730.11 million in FY 2025. The corresponding advertisement and sales promotion expenses as a percentage of revenue from operations was 6.44%. In FY 2025, Duroflex has a higher advertisement and sales promotion expenses as a percentage of revenue from operations than its listed peer, Sheela Foam, but delivers superior profitability with higher PAT margin exceeding that of Sheela Foam.

Exhibit 7.9: Advertisement and sales promotion expenses (INR million) and Advertisement and sales promotion expenses as a percentage of revenue from operations

Key Players	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Advertisement and sales promotion expenses	Advertisement and sales promotion expenses as a percentage of revenue from operations	Advertisement and sales promotion expenses	Advertisement and sales promotion expenses as a percentage of revenue from operations	Advertisement and sales promotion expenses	Advertisement and sales promotion expenses as a percentage of revenue from operations
Duroflex	758.81	7.18%	850.14	7.76%	730.11	6.44%
Sheela Foam	1,551.70	5.40%	1,630.50	5.47%	1,961.60	5.70%
Wakefit	959.09	11.80%	773.64	7.84%	NA	NA
The Sleep Company	534.80	42.06%	1,014.39	32.48%	NA	NA
Peps Industries	315.97	7.91%	178.66	4.86%	NA	NA

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports

NA: Not Available, Na(1): Can't be calculated due to unavailability, negative numerator, denominator or both.

All figures are Consolidated except for The Sleep Company, Wakefit, Peps Industries

Figures for Sheela Foam are taken as reported in the annual report/investor presentation

Advertisement and sales promotion expenses as a percentage of revenue from operations = (Advertisement and sales promotion expenses / Revenue from Operations)*100

EBITDA and EBITDA Margin

EBITDA provides information regarding the operational efficiency of the business and EBITDA Margin indicates how efficiently a company converts revenue into profit before interest, taxes, and non-cash expenses. Duroflex recorded an EBITDA of INR 568.52 million in FY 2023 with an EBITDA Margin of 5.38%, which improved to INR 627.38 million with a margin of 5.73% in FY2024 and further increased to INR 979.79 million with an EBITDA Margin in FY 2025 of 8.64% showing highest improvement in EBITDA Margin compared to its listed peer.

Exhibit 7.10: EBITDA (INR Million) and EBITDA Margin

Key Players	Fiscal 2023		Fiscal 2024		Fiscal 2025		CAGR 2023-2025
	EBITDA	EBITDA Margin	EBITDA	EBITDA Margin	EBITDA	EBITDA Margin	
Duroflex	568.52	5.38%	627.38	5.73%	979.79	8.64%	31.28%
Sheela Foam	2,970.00	10.34%	3,010.00	10.09%	2,860.00	8.32%	-1.87%
Wakefit*	-857.52	-10.55%	658.49	6.68%	NA	NA	Na(1)
The Sleep Company*	-343.04	-26.98%	-509.32	-16.31%	NA	NA	48.47%
Peps Industries*	316.06	7.91%	200.97	5.46%	NA	NA	-36.41%

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports

NA: Not Available, Na(1): Can't be calculated due to unavailability, negative numerator, denominator or both.

All figures are Consolidated except for The Sleep Company, Wakefit, Peps Industries

Figures for Sheela Foam are taken as reported in the annual report/investor presentation

*CAGR is considered for FY2023-FY2024, for rest CAGR is considered for FY2023-FY2025

EBITDA=(Finance Cost + Depreciation & Amortisation + PBT)

EBITDA Margin=EBITDA/Revenue from Operations

OUR BUSINESS

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read “Forward-Looking Statements” on page 30 for a discussion of the risks and uncertainties related to those statements and also the sections “Risk Factors”, “Industry Overview”, “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 32, 146, 269 and 352, respectively, as well as financial and other information contained in this Draft Red Herring Prospectus as a whole, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise indicated or unless the context requires otherwise, the financial information included herein is based on our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus. For further information, see “Restated Consolidated Financial Information” on page 269. Our Company’s financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that year.

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled “Industry Report on PU Foam, Mattress, Home Comfort Accessories and Furniture Market in India” dated October 13, 2025 (the “TKC Report”) prepared and issued by The Knowledge Company LLP, pursuant to an engagement letter dated July 14, 2025. The TKC Report has been exclusively commissioned and paid for by us in connection with the Offer. The data included herein includes excerpts from the TKC Report and may have been re-ordered by us for the purposes of presentation. A copy of the TKC Report is available on the website of our Company at <https://www.duroflexworld.com/pages/investors-relations>. Unless otherwise indicated, financial, operational, industry and other related information derived from the TKC Report and included herein with respect to any particular calendar year/ Fiscal refers to such information for the relevant calendar year/ Fiscal. For further information, see “Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the TKC Report which is a paid report and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks” on page 59. Also see, “Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data” on page 29.

Overview

We are a provider of sleep and comfort solutions in India, with a diversified omni-channel distribution network. Our business has a continuing legacy of over 60 years, with our predecessor entity having been established in 1963. We manufacture a wide range of products, including foam, mattresses, sofas, recliners, beds, pillows, accessories and other furnishings. According to the TKC Report, we are among the top three largest mattress companies in India, with 8% branded modern mattress market share by value for Fiscal 2025. In South India, which has traditionally been our largest geographic market, we are among the top two players in the branded modern mattress segment with a market share of approximately 20% for Fiscal 2025. In addition, our revenue has grown at a CAGR of 21.81% from Fiscal 2020 to Fiscal 2025, in line with our listed mattress and home furnishing peer companies. Further, for Fiscal 2025, we have the highest profit after tax margins and ROCE among our listed mattress and home furnishing peer companies with revenue greater than ₹ 5,000 million. (Source: TKC Report).

We have technology enabled and vertically integrated manufacturing operations, with seven manufacturing facilities located across India and the ability to produce all of our required foam, which is the primary raw material for mattresses and sofas, in-house. Further, we have a significant presence across all distribution channels (and our network covers 73 COCO Stores, 375 distributors reaching 5,576 general trade stores and major e-commerce platforms, each as of June 30, 2025). According to the TKC Report, we were the first established brand in the mattress and furniture industry to launch an online D2C brand to specifically target mattresses for the online distribution channel, launching our Sleepyhead brand in 2017. Taken together, our vertically integrated manufacturing operations and diversified omni-channel distribution network provide us with a significant competitive advantage.

We have developed a ‘house of brands’ architecture in the sleep and comfort solutions space, with each brand catering to different customer segments, allowing us to capture the full spectrum of mattress customers in India:

- Our flagship brand, Duroflex, offers sleep and comfort solutions across a spectrum of price points encompassing varied customer requirements, and is aimed at more established and health-conscious customers from the economy to luxury segments of the mattress market;



- Our Sleepyhead brand is aimed at younger customers and provides a range of trendy and stylish mattresses and furniture in the mid to premium segments of the mattress market; and

- Our Perfect Rest brand serves value conscious consumers (primarily from Tier 2+ regions in India) in the economy to mid-premium segments of the mattress market with high quality products.



Our business is diversified across both direct retail sales (of mattresses and furniture under our Duroflex, Sleepyhead and Perfect Rest brands) as well as branded foam, institutional (across various hospital, hospitality, education and government sectors) and OEM (white labeled mattresses for national and international brands) sales.

To broaden our customer base and grow revenue, we regularly refresh our portfolio of brands and sub-brands to reflect current consumer preferences. This includes introducing new products and expanding our product ranges to meet evolving market demands. We have India's largest range of mattress options as compared to our peers, according to the TKC Report. Our deep domain expertise in the manufacture of foam has enabled us to develop several innovative products. For example, in the recent past, we have launched technology based smart sleep solutions, including our remote-controlled, adjustable mattress Neuma, which comes with heat dissipation technology; and our Wave Plus adjustable bed which allows for head and foot tilt, massage modes, memory presets and wireless remote control. Backed by our in-house R&D and design capabilities, we aim to continue to introduce advanced and differentiated sleep solutions and as of June 30, 2025, our R&D team comprises 17 employees.

Our vertically integrated manufacturing operations and tech-embedded supply chain operations provide us with complete control across the value chain, allowing us to manufacture a diverse range of high-quality products in-house, including all of our mattresses and branded foam. We have continuously focused on identifying market gaps, addressing customer needs and introducing innovative products that distinguish us from our competitors.

The scale at which we manufacture our products, combined with our supply chain management, enables us to derive the benefits of economies of scale across various aspects of our business model. Further, we maintain appropriate inventory levels across our manufacturing facilities by implementing technology and utilising available market information. We also endeavor to maintain high quality standards and good manufacturing practices. Further, we have 19 warehouses (1 mother warehouse and 18 regional Depots) at various locations across India, which facilitates product availability across our distribution network. Our diversified omni-channel distribution network covers multiple online and offline touchpoints. Our distribution channels include COCO Stores, e-commerce, general trade, institutional and OEM sales and branded foam sales.

We follow a multi-pronged approach towards marketing, spanning celebrity collaborations, community engagement, social media influencers and marketing campaigns. Our marketing strategy follows a targeted approach for different products and customer categories. Further, several of our marketing initiatives and collaborations are content based, aimed at creating awareness on the importance of sleep, quality of mattresses and creating aspiration amongst customers for premium mattresses.

We are led by third-generation, entrepreneurial promoters, Jacob Joseph George, Mathew Chandy, Mathew George and Mathew Antony Joseph. Our Promoters' leadership and experience has enabled us to grow our product portfolio and develop brands, build a pan-India distribution network, maintain relationships with our distributors and retailers, and expand our manufacturing capabilities, in turn driving our growth in revenue from operations and profit margins. Our Promoters are supported by a qualified management team and experienced board of directors. We are also supported by marquee investors, Lighthouse India Fund Lighthouse Trust, and Norwest. Their strategic guidance has helped us achieve our business goals.

The table below sets forth certain financial and operating information for the years/ period indicated:

Sr. No.	Particulars	Unit	As at and for the three months period ended June 30, 2025	As at and for the year ended March 31, 2025	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023
GAAP Measures						
1	Revenue from operations ⁽¹⁾	₹ million	2,925.19	11,342.50	10,952.96	10,574.87
2	Revenue from operations growth ⁽²⁾	%	Not Applicable*	3.56%	3.58%	Not Applicable*
3	Profit / (Loss) for the period / year ⁽³⁾	₹ million	56.39	471.63	112.00	(154.74)
4	Net cash generated from operating activities ⁽⁴⁾	₹ million	193.85	1,082.03	471.60	704.05
5	Product category wise revenue ⁽⁵⁾					
	Mattress	₹ million	1,601.13	5,830.68	5,672.62	5,873.29
	Branded foam	₹ million	1,075.11	4,465.31	4,011.04	3,563.14
	Furniture	₹ million	151.95	610.22	760.00	522.24
	Accessories	₹ million	69.29	338.58	422.10	463.03
6	Advertisement and sales promotion expenses as a percentage of revenue from operations ⁽⁶⁾	%	5.49%	6.44%	7.76%	7.18%
Non GAAP Measures**						
7	Gross profit ⁽⁷⁾	₹ million	1,288.47	4,871.54	4,822.10	4,524.56
8	Gross profit margin ⁽⁸⁾	%	44.05%	42.95%	44.03%	42.79%
9	EBITDA ⁽⁹⁾	₹ million	211.68	979.79	627.38	568.52
10	PAT Margin ⁽¹⁰⁾	%	1.93%	4.16%	1.02%	(1.46%)
11	EBITDA Margin ⁽¹¹⁾	%	7.24%	8.64%	5.73%	5.38%
12	EBITDA growth ⁽¹²⁾	%	Not Applicable*	56.17%	10.35%	Not Applicable*
13	Return on equity ("RoE") ⁽¹³⁾	%	1.43%^	12.72%	3.28%	(4.47%)
14	Return on capital employed ("ROCE") ⁽¹⁴⁾	%	2.89%^	14.90%	5.59%	2.63%
15	Net working capital days ⁽¹⁵⁾	Days	9.53	12.18	13.84	18.61
Operational Measures						
16	Product category wise volume ⁽¹⁶⁾					
	Mattress	Units	235,932	798,021	756,797	803,284
	Branded foam	Tonnage	5,477	21,290	18,344	15,260
	Furniture	Units	10,975	45,911	63,578	41,486
17	COCO Stores at the end of the period/year ⁽¹⁷⁾	Number	73	71	68	54
18	Trade stores ⁽¹⁸⁾	Number	5,576	5,408	5,226	4,156
19	Channel wise revenue ⁽¹⁹⁾					
	Revenue from offline channel	%	82.00%	83.02%	76.81%	77.19%
	Revenue from online channel	%	18.00%	16.98%	23.19%	22.81%

(1) Revenue from operations is the revenue from operations for the period/year.

(2) Growth of revenue from operations is calculated as revenue from operations of the relevant fiscal year less revenue from operations of the corresponding previous fiscal year, divided by revenue from operations of the corresponding previous fiscal year multiplied by 100.

- (3) Profit / (loss) for the period / year.
- (4) Net cash generated from operating activities.
- (5) Product category wise revenue represents the disaggregation of product sales by major product categories.
- (6) Advertisement and sales promotion expenses as a percentage of revenue from operations is computed as advertisement and sales promotion expenses for the period/year as a percentage of revenue from operations for the period/year.
- (7) Gross profit is calculated as revenue from operations less the cost of goods sold. Cost of goods sold is the sum of cost of materials consumed, purchase of stock-in-trade and changes in inventories of finished goods, semi-finished goods and stock in trade (excluding certain other direct expenses such as employee benefit expenses and other expenses).
- (8) Gross profit margin is calculated as gross profit divided by revenue from operations.
- (9) EBITDA is calculated as profit/(loss) for the period/year plus tax expense plus finance costs plus depreciation and amortisation expense.
- (10) PAT Margin is calculated as profit / (loss) for the period/year as a percentage of revenue from operations.
- (11) EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations.
- (12) Growth of EBITDA is calculated as EBITDA of the relevant fiscal year less EBITDA of the corresponding previous fiscal year, divided by EBITDA of the corresponding previous fiscal year multiplied by 100.
- (13) Return on equity is calculated as profit / (loss) for the period/year attributable to owners of the Company divided by average total equity attributable to owners of the Company as at period/year end.
- (14) Return on capital employed is calculated as (earnings before interest and taxes ("EBIT")) divided by capital employed). EBIT is calculated as profit / (loss) for the period/year attributable to owners of the Company plus tax expenses plus finance costs. Capital employed being computed as the sum of total equity and current and non-current borrowings less goodwill and other intangible assets, intangible assets under development and deferred tax assets.
- (15) Net working capital days is calculated as (average net working capital divided by revenue from operations)*no. of days in the year. However, for the three months period ended June 30, 2025, net working capital days is calculated as (average net working capital divided by revenue from operations)*91. Net working capital is calculated as inventories plus trade receivables minus trade payables. Average net working capital is calculated as the (net working capital as of the current year/period + net working capital as of the previous year/period)/2.
- (16) Product category wise volume is calculated as the total volume of mattress, branded foam and furniture sold in the relevant period/year.
- (17) COCO Stores at the end of the relevant period/year is the total number of operational COCO stores at the end of relevant period/year.
- (18) Trade stores is calculated as sum of total trade stores at the end of relevant period/ year.
- (19) Channel Revenue is calculated as revenue from offline / online channel for the period / year as a percentage of revenue from operations.

^ Not Annualised

*Not been included as the comparative period figures for FY 2023 and three-months period ended June 30, 2025 are not available in this Draft Red Herring Prospectus.

**For details of reconciliation of Non-GAAP Measures used in this Draft Red Herring Prospectus, see "Other Financial Information – Non-GAAP Financial Measures" on page 347.

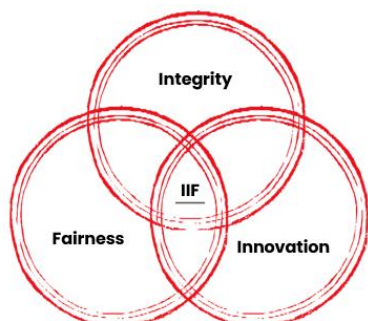
Competitive Strengths

Established business with a continuing legacy of 60 years, and strong market position in the mattress segment

Our predecessor entity was incorporated in 1963 and the Duroflex brand was registered in 1981. Over the last four decades, we have consistently grown our product portfolio, manufacturing and innovation capabilities, distribution channels and brand salience, leading to consistent business growth.

The strength of our business is reflected in our strong market positions. According to the TKC Report, we are among the top three largest mattress companies in India, with 8% branded modern mattress market share by value for Fiscal 2025. In South India, which has traditionally been our largest geographic market, we are among the top two players in the branded modern mattress segment with a market share of approximately 20% for Fiscal 2025. While our business was initially focused on South India, we have over the years expanded our operations in West, East and North India. In addition, our revenue has grown at a CAGR of 21.81% from Fiscal 2020 to Fiscal 2025.

We have consistently been guided by our core values, which have played a key role in driving the success of our business:



- ***Integrity:*** We are committed to upholding the highest standards of integrity across our business operations, partnerships, and stakeholder relationships.
- ***Innovation:*** We continuously embrace change, adopt new technologies, focus on product innovation, and align with global standards.
- ***Fairness:*** We are dedicated to fairness, fostering mutually beneficial relationships with our employees, partners, and customers.

Our values are backed by strong governance and financial discipline. We have prioritized maintaining a strong balance sheet, profitability, and healthy cash flows, enabling us to invest in growth across business cycles.

As a result of these factors, our revenue from operations grew to ₹ 11,342.50 million in Fiscal 2025, compared to ₹ 10,952.96 million in Fiscal 2024 and ₹ 10,574.87 million in Fiscal 2023. Further, our profit for the year grew to ₹ 471.63 million in Fiscal 2025, compared to ₹ 112.00 million in Fiscal 2024 and a loss of ₹ 154.74 million in Fiscal 2023. For Fiscal 2025, We have the

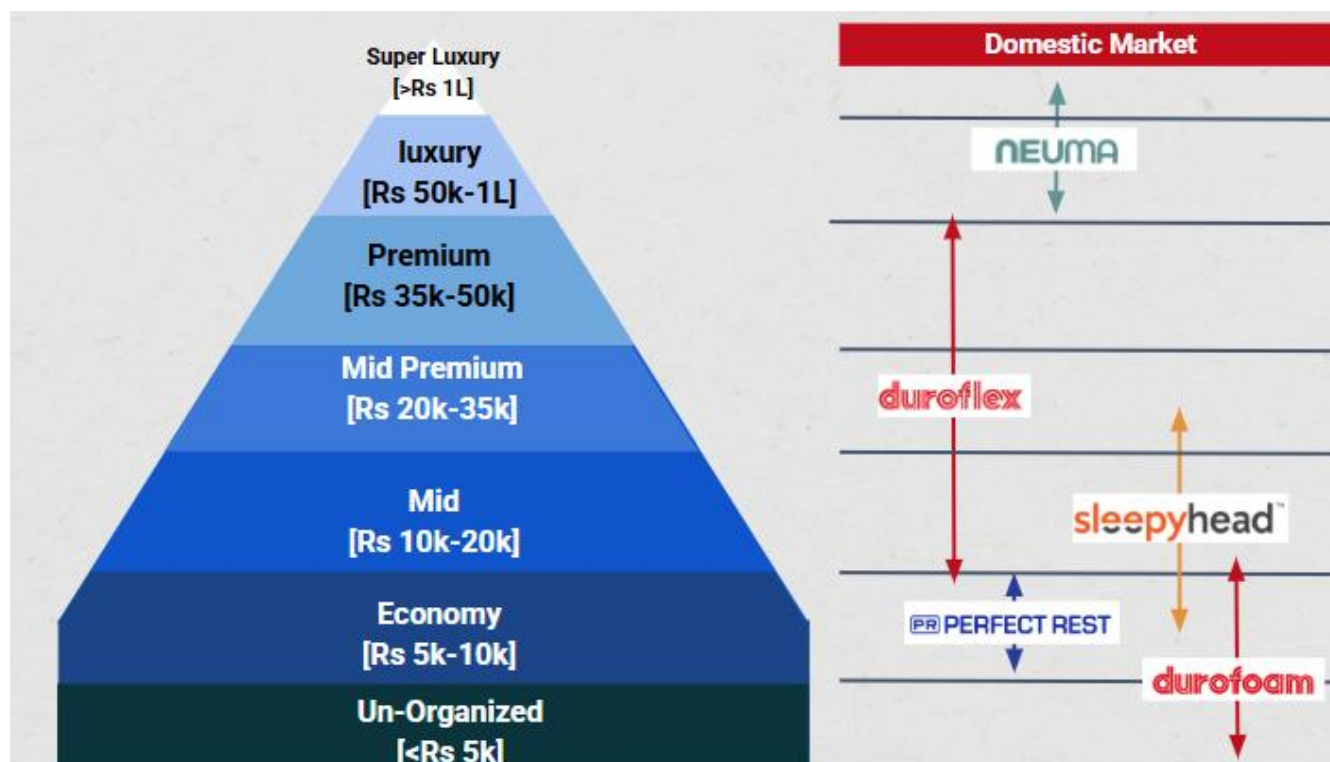
highest PAT Margin amongst companies with revenues greater than ₹ 5,000 million in mattress and home furnishing segment, according to the TKC Report.

Further, we have received numerous awards and recognitions, highlighting our commitment to quality, innovation, and consumer satisfaction. For details see “History and Certain Corporate Matters - Awards, accreditations, and accolades received by our Company” on page 234.

House of brands capturing multiple customer segments and price points

We have followed a ‘house of brands’ strategy such that each brand and sub-brand has a differentiated value proposition that enables us to cater to customers with distinct needs and preferences, allowing us to position ourselves as a one-stop-shop for customers’ mattress requirements. As a result, we are positioned to capture customer segments across the sleep and comfort solutions market, offering us the capability to address a wide range of prices.

Our brands cover the following customer segments:



- **Luxury and super luxury:** Our smart sleep solutions cater to customers in the luxury and tech segments. These solutions include our remote-controlled, adjustable mattress Neuma, which comes with heat dissipation technology, dual side firmness adjustability and ultra responsive layers; and our Wave Plus adjustable bed, which allows for head and foot tilt, massage modes, memory presets and wireless remote control.
- **Premium:** Several sub-categories within the Duroflex brand (such as Propel, Propel Plus, Bolt Plus, Bolt Spring and Active NXT) cater to customers in the premium segment.
- **Mass:** we cater to the mass segment through our Sleepyhead brand and several sub-brands within our Duroflex brand (in particular, our ‘Essential’ range of Duroflex mattresses). Our Duroflex brand covers mattresses across various price points and with varying features and is aimed at more mature and health-conscious customers. Our Sleepyhead brand is aimed at younger customers and provides trendy and stylish mattresses and home furniture.
- **Economy:** We cater to the economy segment through our entry-level Perfect Rest brand which is a durable, firm and cost-effective mattress, starting from ₹5,000 for a queen-sized mattress.
- **Unorganized:** We sell branded polyurethane foam under our Durofoam brand to distributors which further sell to liners, carpenters, and other small mattress, sofa and bed manufacturers. Our branded foam is utilized primarily by customers in the mattress, home furnishing and garments industries, and for packaging purposes.

Further, in addition to mattresses, which remain our core focus, we have expanded into the furniture category with products such as sofas, recliners and beds, and into accessories such as pillows, comforters and mattress protectors with a view to capturing higher customer wallet shares. We have created sub-brands within both the Duroflex and Sleepyhead brands for these products aimed at different customer segments.

We believe that our acumen in introducing, positioning and scaling brands, identifying product and price gaps, design and development, product assortment and quality differentiates us from other mattress and home furnishing brands.

Further, our house of brands strategy helps us to tailor value propositions for different customer segments, avoid brand dilution, increase our addressable market, improve channel leverage, create cross-selling and upselling paths and insulate us from economic cycles. Our approach to launching or scaling new brands and product categories is guided by our strategic intent to bridge portfolio gaps, address unmet consumer needs, and capture market share in high-growth segments. Each launch is aligned with the long-term category potential and targets brand equity expansion. For example, we followed differentiated approaches to the launch and scaling of products within our Duropedic sub-brand (part of the Duroflex brand) and our Sleepyhead brand, based on the target customer profiles, as set forth in the case study below:

	Duropedic	Sleepyhead
<i>Target customer profile</i>	Premium product aimed at older customers, focused on health, for customers experiencing back pain	Aimed at younger, urban, digital-first customers at accessible prices
<i>Core technology/features</i>	5 Zone postural support engineered for the human body	- Leverages flagship Duroflex technologies where appropriate - Utilized “bed-in-a-box” technology for convenience in tight urban settings
<i>Design approach</i>	Cohesive, contemporary, premium look developed in collaboration with a multi-disciplinary design studio.	Products and experiences that make everyday living fun, trendy and fabulous.
<i>Marketing focus</i>	- Health and wellness - Scientifically tested and backed: approved by National Health Academy (<i>Source: TKC Report</i>) - Campaign covered everyday posture mistakes to show how Duropedic mattresses protect the back 	- Design and style - Marketing focused on projecting Sleepyhead as an innovator in a traditional market - E-commerce led sales, speedy order fulfilment - Social media driven unboxing videos -Digital first and influencer-based campaigns to appeal to youthful target customer 
<i>Channel strategy</i>	Duroflex COCO Stores as well as trade stores, Duroflex’s own website and e-commerce channels	D2C through Sleepyhead’s own website, Sleepyhead COCO Stores as well as e-commerce channels.

Comprehensive product portfolio and customer centric product innovations

We have an extensive product portfolio in mattresses and adjacent categories and position ourselves as a one-stop shop for our customers for any type of sleep and comfort needs. We leverage our brand equity to enter into additional furniture categories, aiming to increase customer lifetime value.

Our product portfolio covers the following categories:

- Mattresses:*** We sell various categories of mattresses under the Duroflex, Sleepyhead and Perfect Rest brands. These include basic essential mattresses, doctor recommended orthopedic mattresses, natural latex mattresses and mattresses with adjustable firmness. As of June 30, 2025, we offered more than 3,900 SKUs across our three brands. According to the TKC Report, we have India’s largest range of mattresses compared to our peer companies, with 67 product options. We also sell mattresses to institutions across various hospital, hospitality, education and government sectors and sell finished mattresses on a white label sales basis to customers, including marquee national and international brands (European and American furniture retailers).

- **Branded foam:** We manufacture polyurethane foam, under the following sub-categories: cushioning foams (for sofas and furniture); comfort foams (for mattresses, available in four variants); and technical foams. We have deep domain expertise in the manufacture of polyurethane foam and sell several ranges of our foam to OEM customers, including globally recognised clients which have stringent quality assurance standards. Further, as we manufacture foam in-house, we benefit from business synergies as the underlying foam constitutes the principal component of our mattresses and furniture.
- **Furniture & Accessories:** Under our Duroflex and Sleepyhead brands, we sell various categories of sofas, sofasbeds, recliners, beds, tables, and other furniture. In addition, under our Duroflex and Sleepyhead brands we sell a range of accessories, including pillows, comforters, mattress protectors and other similar products. As of June 30, 2025, we offered more than 2,400 SKUs across our other categories of furniture and accessories.

The table below sets forth a break-up of our revenue from operations across various product categories:

Product Category	Three months period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ million)	Percentage of Revenue from operations	Amount (₹ million)	Percentage of Revenue from operations	Amount (₹ million)	Percentage of Revenue from operations	Amount (₹ million)	Percentage of Revenue from operations
Mattress	1,601.13	54.74%	5,830.68	51.41%	5,672.62	51.79%	5,873.29	55.54%
Branded Foam	1,075.11	36.75%	4,465.31	39.37%	4,011.04	36.62%	3,563.14	33.69%
Furniture	151.95	5.19%	610.22	5.38%	760.00	6.94%	522.24	4.94%
Accessories	69.29	2.37%	338.58	2.99%	422.10	3.85%	463.03	4.38%
Other operating revenues*	27.71	0.95%	97.71	0.85%	87.20	0.80%	153.17	1.45%
Revenue from Operations	2,925.19	100.00%	11,342.50	100.00%	10,952.96	100.00%	10,574.87	100.00%

*Other operating revenues include revenue from scrap sales, income from duty drawback and duty scripts and income from government grants..

Our commitment to product excellence across our range of products is reflected in the ‘Product of the Year 2025’ awards that we received for the Duroflex Back Magic mattress, the Duroflex Wave Plus (Smart Adjustable Bed) and the Sleepyhead Rx7 recliner. We have continuously focused on identifying market gaps, addressing customer needs and introducing innovative products that distinguish us from our competitors. We regularly introduce new products in our mattresses, furniture and accessories product lines across our various Brands, with each new product generally including many SKUs to reflect different sizes, colours and densities.

Set forth below are some examples of our recent product innovations:

- In 2017, we launched compressed, roll packed ‘bed-in-a-box’ mattresses, becoming one of the first two companies in the Indian market to do so, according to the TKC Report. These mattresses are cost effective alternatives to traditional mattresses due to their reduced logistics and warehousing costs and are sold online on our website and on e-commerce platforms. ‘Bed-in-a-box’ mattresses are compressed, rolled and shipped directly to the customer’s home, capable of providing greater convenience compared to purchasing traditional mattresses. These mattresses are easy to set up, more affordable, durable and require lower maintenance.
- In 2024, we launched the Neuma range of mattresses, which are India’s first firmness adjustable mattress according to the TKC Report. These mattresses have a heat dissipation layer and a remote-controlled firmness adjustment mechanism. We have two pending patents over key smart bed control and monitoring technologies for the Neuma range.
- In 2023, we launched Wave Plus, which is a remote controlled, adjustable smart bed, with massage modes and memory presets.
- In 2023, we launched Motorized, our range of electric powered, multi-functional recliners.
- In 2020, we launched the Duro Safe anti-viral mattress protector, in collaboration with a Swiss textile and materials innovator, utilizing their Viroblock technology.
- In 2018, we launched the Duroflex heat absorption technology mattress, which makes use of the phase change materials technology to regulate the temperature of the mattress developed by a German company.

We have strong capabilities in research and development (“R&D”)-driven product designs and continuously enhance products based on customer feedback. Our product development process involves six steps: conceptualization (covering need identification, product design and financial analysis); consumer concept testing; prototyping and engineering; internal testing and production development; and finally a test launch, followed by a commercial launch. Backed by our in-house R&D and design capabilities, we will continue to introduce advanced and differentiated sleep solutions and as of June 30, 2025, our R&D team comprises 17 employees. For further details, see “- Our Business Operations - Product Development Process” on page 205.

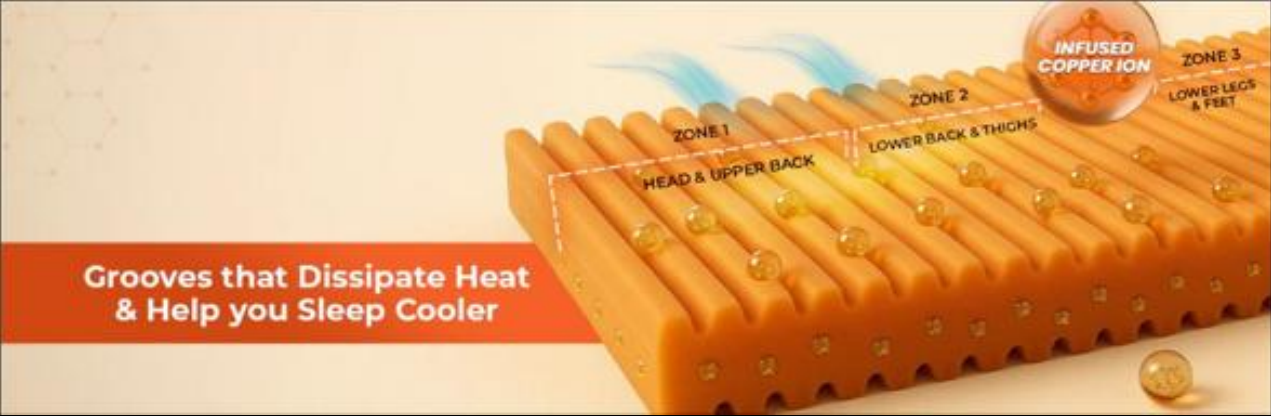
Our product development process enables us to develop and test new products to meet evolving market demands. We initially produce small batches of new products to assess market demand. This approach enables us to understand customer interest before scaling up production, reducing inventory risks. Our comprehensive design process includes customer-centric design, market analysis, and the use of software tools. We also regularly review and study a wide range of design concepts from across the world, which helps us identify and select distinctive styles across different product categories. Our team of product designers and engineers work together closely to create products which are aesthetic, functional, durable, and cost-effective to manufacture.

Our comprehensive product portfolio and continuous product innovations have helped us grow our revenue and brand salience across customer segments. Our diversified product offering across mattresses, furniture, and foam under our own brand, enables us to cross-sell complementary products, up-sell higher-end products, and encourage repeat purchases through network effects.

Strong brand equity, driven by a multi-pronged marketing approach

We benefit from strong customer affinity and brand recognition, as one of the leading brands in the branded premium segment, which constitutes 80% of the overall premium market as of FY2025, according to the TKC Report. In addition, our brand equity was assessed in a study conducted by Kantar, an international market research company, in December 2024. The study highlighted that consumers’ consideration of our brands is driven by trust, aspiration, and comfort. Our total brand awareness stood at 87%, and spontaneous awareness at 52%. Further, the average customer rating of our COCO Stores on a key mapping application, as of June 30, 2025 is 4.8/5, which is a strong testimony of our commitment to the consumer experience, according to the TKC Report.

Through our R&D driven product innovations, content-based marketing, and celebrity and influencer driven campaigns, we aim to create thought leadership, health awareness on the importance of sleep, and customer aspiration for premium mattresses. Several of our campaigns have been aimed at highlighting the awareness of the importance of sleep for health, productivity and well-being, such as our Energise product launch described below, as well as the importance of an orthopedic mattress for good spinal support.

Brand thesis:	Performance mattress range engineered for deep recovery built for active lifestyles
Core technology:	• Three zone grooved design takes away heat from the body for cooler sleep • Infused with copper ions • Qube cell technology and pocket spring construction for unhindered recovery
	
Design approach:	• <u>Performance-first aesthetic</u>: Athleisure cues, kinetic quilting, motion lines, and cool neutrals with energized accents to signal speed, recovery, and intent in partnership with a multi-disciplinary design studio. • <u>End-to-end exterior craft</u>: Breathable anti-stress knit, contrast piping, Euro-Top options, and recycled-yarn fabrics come together in a cohesive, contemporary, premium look.
Marketing strategy:	• <u>Tech-made-visible</u>: Qube Cell side-panel motifs and zoned quilting subtly map the copper story, turning performance features into recognisable design signature. • <u>Athlete collaborations</u>: Collaborating with a franchisee cricket team in the Indian Premier League to promote the importance of sleep for athletes.

We follow a multi-pronged approach towards marketing, spanning celebrity, cricket & athletic collaborations, community engagement, social media influencers and marketing campaigns. Our marketing strategy follows a targeted approach for different products and customer categories. Set forth below are certain examples of the key elements of our marketing approach:

- **Celebrity collaborations:** we have collaborated with several celebrities (across sports, films and music) to promote our products, enhance the reach and appeal of our brand and deepen consumer trust. For example, we collaborated with Virat Kohli for our Duroflex brand and with Ranveer Singh (From June 27, 2022 to June 26, 2024) for our Sleepyhead brand.
- **Cricket and athletic collaborations:** We collaborated with a franchisee cricket team in the Indian Premier League during the 2024 season, as their official sleep partner and partnered with one of India's Olympic athlete training facilities to support Indian Olympic-level athletes with high-performance sleep solutions. As part of our collaboration, the team used mattresses from our Duropedic range throughout the tournament. To mark this collaboration, we also launched limited edition mattresses and pillows during the season.
- **Content driven marketing:** Our content driven marketing strategy focuses on educating customers on the benefits of sleep and the importance of an orthopedic mattress for good spinal support. We proactively communicate these benefits through a number of advertising campaigns. Our website also contains useful content (in the form of articles, Q&A pieces and videos) on topics such as selection of mattresses and sofas. Further, we have also launched other campaigns on occasions such as International Women's Day and Father's Day.
- **Collaborations with marketplaces:** We collaborated with a fashion and lifestyle e-commerce platform to become the first mattress brand on the platform. Our campaign 'Sleep Great to Look Good', positioned sleep as a key part of personal style and wellness. Driven by our focus on e-commerce marketplaces, our Duroflex and Sleepyhead brands combined are estimated to be among the top two players in the e-commerce modern mattress market as of March 31, 2025, with our queen-size mattresses having an average rating of 4.3 on India's leading two horizontal online marketplaces as of June 30, 2025, according to the TKC Report.
- **Social media influencers:** We have proactively developed a community of influencers across social media platforms. We select influencers to target identified products towards specific geographic and demographic groups of potential customers, based on their individualized follower demographics and alignment with our various Brands and products.

We maintain a disciplined approach to our marketing spend, focusing on achieving significant brand visibility and customer engagement. This approach ensures that our marketing efforts are both efficient and sustainable, contributing to our overall financial health. In the three months ended June 30, 2025, Fiscal 2025, 2024 and 2023, our advertisement and sales promotion expenses were ₹160.56 million, ₹730.11 million, ₹850.14 million and ₹758.81 million respectively, representing 5.49%, 6.44%, 7.76% and 7.18% of our revenue from operations, respectively.

Well-diversified, Pan-India omnichannel distribution network

We are one of the few brands with a strong omnichannel presence and have significantly scaled presence across both online and offline channels, according to the TKC Report, with our comprehensive omnichannel distribution network covering our COCO Stores; e-commerce channels; general trade, including trade stores; institutional and OEM sales, as well as branded foam. The table below sets forth a break-up of our revenue from operations across various distribution channels:

Channels	Three months period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ million)	Percentage of Revenue from operations	Amount (₹ million)	Percentage of Revenue from operations	Amount (₹ million)	Percentage of Revenue from operations	Amount (₹ million)	Percentage of Revenue from operations
Modern retail channels* (A=A1+A2)	800.25	27.36%	2812.70	24.80%	3267.18	29.83%	2,988.90	28.26%
COCO Stores (A1)	273.58	9.36%	886.84	7.82%	727.56	6.64%	576.96	5.45%
Ecommerce Channels (A2)	526.67	18.00%	1,925.86	16.98%	2,539.62	23.19%	2,411.94	22.81%
Trade stores**(B)	808.26	27.63%	3,275.58	28.88%	3,095.70	28.26%	3,401.45	32.17%
Branded foam, institutional and OEM channels*** (C)	1,316.68	45.01%	5,254.22	46.32%	4,590.08	41.91%	4,184.52	39.57%
Total (D=A+B+C)	2,925.19	100.00%	11,342.50	100.00%	10,952.96	100.00%	10,574.87	100.00%

* Modern retail channels include our websites, third party ecommerce platforms and COCO Stores.

** Trade stores consists of our general trade channel, which includes sales to distributors dealers, and directly to trade stores.

*** Includes supplying to large institutions, hospitality players, and original equipment manufacturers (“OEMs”).

Set forth below is a description of our distribution channels:

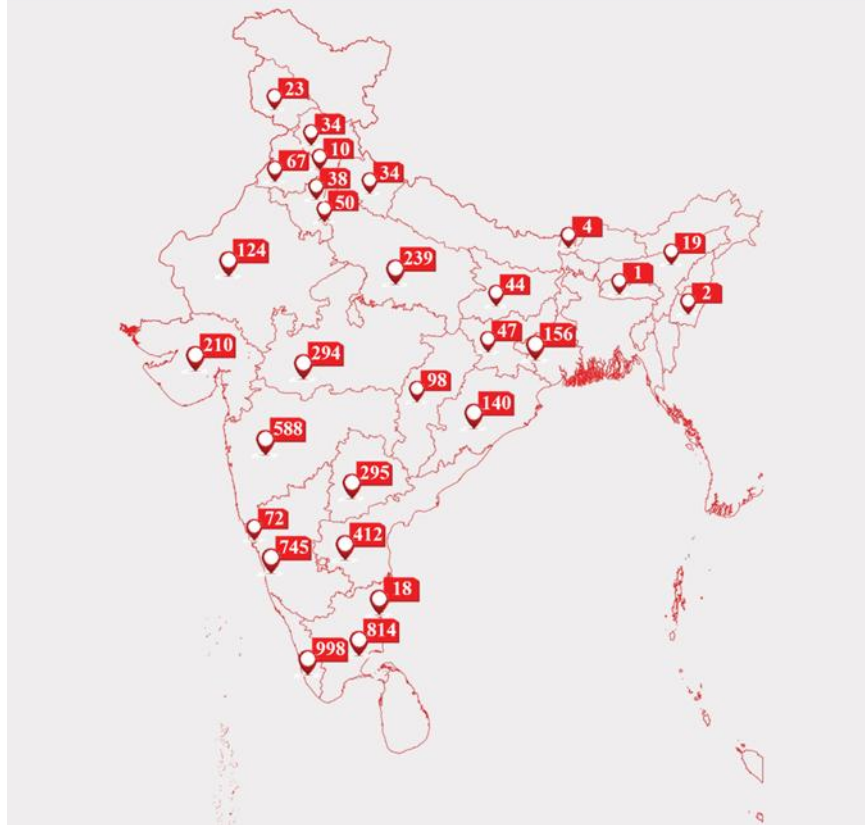
- **COCO Stores:** Our Company Owned and Company Operated (“COCO”) Stores comprise of exclusive Duroflex and Sleepyhead experience centres, which serve as key touchpoints for ensuring consistency in brand experience, strengthening consumer trust, and enhancing brand understanding. Our stores offer customers a hands-on experience with our products, enhancing their understanding and trust of the various products under our Duroflex and Sleepyhead brands. Duroflex and Sleepyhead experience centres cover an area of 330 to 4,500 square feet with an average area of approximately 1,700 square feet and allow customers to experience mattresses, beds, sofas, recliners, other furniture and accessories. According to the TKC Report, we were one of the first few players to launch of customer experience stores in the Indian sleep and comfort solutions industry, opening our maiden store in 2019. Since then, we have scaled our COCO Stores network to 73 as of June 30, 2025, located in 31 cities across 14 states and 2 union territories. In the three months period ended June 30, 2025 and Fiscals 2025, 2024 and 2023, we added 2, 4, 14 and 12 COCO Stores, respectively. Our strategy for adding new COCO Stores is data-driven, focusing on identifying locations with higher business potential. We assess market demand, population density, and demographic trends to understand where our products have the best potential. By analysing customer data, we pinpoint underserved areas that could benefit from our COCO Stores. We also review the sales performance of our existing COCO Stores to identify successful patterns and replicate them in new areas.

COCO Stores:



- *E-commerce:* We sell our products online through both our own websites and e-commerce marketplaces. Our websites provide a seamless shopping experience, with easy navigation, comprehensive product details with rich content, and tools such as chat functions and video calls with our agents to assist customers in making well-informed decisions. In addition to our websites, our products are sold on major e-commerce platforms, offering customers the convenience of shopping on platforms they are familiar with.
- *General trade and trade stores:* Our products are sold pan-India through our general trade distribution channel, covering 375 distributors and 5,576 trade stores, including those operated by our franchisees as of June 30, 2025. According to the TKC Report, our general trade channel is the second broadest distribution network in the Indian sleep and comfort solutions industry as of March 31, 2025. We have developed and maintained longstanding relationships with our distributors and retailers. We regularly interact with our distributors and retailers, including via our general trade order management platform, for insight into customer preferences and market feedback, which in turn helps us to, among others, (i) check for product-market fit at an early stage before scaling them up, and (ii) structure appropriate pricing discounts and advertisement campaigns during festive seasons.

Trade Stores Network as of June 30, 2025



- *Institutional and OEM sales:* We sell a diverse range of mattress products to hospitality, co-living providers, hospitals, educational and government agencies. We also sell white label mattresses to marquee national and international brands, (European and American furniture retailers).
- *Branded foam:* We sell branded foam as an intermediate good to manufacturers of various product categories including bedding, furniture, cushioning, automotive, footwear, lingerie, medical packaging and other companies to incorporate into their final products. Our customers in this segment span from small and micro enterprises to multinationals as well as some suppliers to our competitors in the mattress and furniture spaces. According to the TKC Report, we are one of only two leading mattress companies in India that manufacture their own branded foam and also sell foam to other branded mattress companies. This enables us to serve both internal and external demand, accessing economies of scale and deepening our quality control know-how.

Importantly, we have gained traction in digitizing our general trade and trade stores channel as well as our branded foam channel, shifting our smaller distributors and customers in these channels from traditional paper-based relationships to our integrated order management platforms for general trade and branded foam. These platforms deepen our relationship with our distributors and business customers in these channels, while making our sales process more efficient. The general trade platform also helps enhance our visibility deeper into the general trade distribution channel, beyond our first tier of distributors to secondary sales and inventory levels at our end-trade stores.

Difficult to replicate, vertically integrated manufacturing and supply chain operations

We have a vertically integrated business model, across design, manufacturing, supply chain and logistics, which enables us to control every aspect of our operations. According to the TKC Report, we are one of only two highly vertically integrated players in the industry, which offers us enhanced control over product quality, cost optimization, and supply chain stability as compared to our non-vertically integrated peers. All of our mattresses are manufactured in-house and our manufacturing facilities, experience and know-how are difficult to quickly replicate for our peers who are not backward integrated into foam production.

We aim to ensure each product meets standards of aesthetics, durability and functionality through our design, engineering, and manufacturing capabilities.

- *Design, engineering, and manufacturing.* We focus on tech-centric R&D, engineering, and prototyping. We use computer-aided design to create detailed and accurate product designs, and computer-aided manufacturing to control

the machines that produce our products. We use tools for visualizing and conceptualizing products with precision. Every product is designed with functionality, dimensions, and ergonomics in mind.

- **Manufacturing:** We operate seven manufacturing facilities, located in three states. Our facilities are equipped with imported machinery and automation technologies, such as robotic arms and roller belts, which streamline the production process and reduce waste. We continuously invest in enhancing our manufacturing capabilities and automation. Our focus is on efficient production processes, quality manufacturing, and technological innovations. We observe high quality standards and good manufacturing practices at our manufacturing facilities. Our facilities have received certifications from Sedex, ISO and BIS (for details, see “ – *Our Manufacturing Facilities*”). During Fiscal 2025, our available capacity was 36,036 metric tons of foam, 24,932 metric tons of foam sheets, 1.2 million mattresses, 83 thousand sofa seats. Further, during Fiscal 2025, our utilisation rate was 78.39% for foam, 61.60% for foam sheets, 69.45% for mattresses and 77.10% for sofa sets.
- **Supply chain and logistics.** Our well-structured supply chain network includes 19 warehouses: one mother warehouse in Hosur (with an area of 2.17 lakh square feet) within the premises of Manufacturing Facility VII and 18 regional depots (ranging from 3,000 to 75,594 square feet), as of June 30, 2025. The mother warehouse serves as the primary inventory repository and main distribution point. Regional depots hold inventory for mattresses, furniture and accessories, and are strategically located to reduce delivery times and logistics costs. Our COCO Stores generally do not hold material inventory, with orders being satisfied by direct delivery from a regional depot.

Further, we utilize technology-based tools across our business operations, including tools for manufacturing and inventory management, logistics, order management, lead management, customer support and customer relationship management (for further details, please see “—*Business Operations— Information Technology*”).

We have implemented cost optimization initiatives across our foam, furniture and mattress manufacturing processes. We focus on increasing process efficiency, utilization, and reducing returns and wastage.

We prioritize quality assurance through testing and certifications. We conduct evaluations for strength, stability, and durability on prototypes of each product at our in-house testing labs, as well as third party facilities. We simulate long-term use across predefined cycles and weights to ensure our products meet high standards of performance. We subject each new product to thorough testing, including indentation load deflection testing for firmness and rollator tests to simulate five to ten years of usage to test for durability. Our dedication to these standards ensures that our products are not only durable but also certified for reliability and safety.

Promoter led company with a strong professional management team

Our organization is led by third-generation, entrepreneurial promoters, Jacob Joseph George, Mathew Chandy, Mathew George and Mathew Antony Joseph. Our Promoters’ leadership and experience has enabled us to grow our product portfolio and develop brands, build a pan-India distribution network, maintain relationships with our distributors and retailers, and expand our manufacturing capabilities, in turn driving our growth in revenue from operations and profit margins. Further, our Promoters have also been instrumental in institutionalizing our culture of integrity, innovation, fairness and collaboration.

Our promoters are complemented by a motivated, professional and experienced leadership team with a combined experience of more than 140 years across 11 industries. The sector-specific experience and expertise of our Key Managerial Personnel and Senior Management has contributed significantly to the growth of our Company.

Our Board of Directors support and provide guidance to our management team. Our Board of Directors consists of 8 directors including our Chairman and Managing Director, 3 Whole-time Directors and 4 Independent Directors. Additionally, we have been funded by marquee investors, Lighthouse and Norwest, who continue to guide us on strategic initiatives. The shared vision and value system of this team makes us well placed to execute our future plans and ambitions.

Our Strategies

Continue to invest in innovation in existing product portfolio, as well as expand and grow in furniture and accessories categories

We intend to utilise our innovation capabilities to expand our existing product portfolio and develop new ranges of products across our product categories. We have launched innovative products like the Neuma range firmness adjustable mattress, the Wave Plus, which is a remote controlled, adjustable smart bed and the Motorized range of electric powered, multi-functional recliners. In particular, we aim to expand our product portfolio within both our Duroflex and Sleepyhead brands of mattresses. Through our new range of products, we expect to increase our wallet share and repeat orders from existing customers and to also attract new customers, which will help us increase our market share and scale our business.

In addition to our core mattress offerings, we intend to further expand our product range in furniture products, in particular sofas, recliners, upholstered beds and smart products and better distribute these products across our omnichannel distribution network, including via our COCO Stores, as described below. In order to support our strategy of innovation in new product categories, we will further expand our back-end manufacturing capabilities.

Further expand each of our distribution channels, especially experience centres in a profitable manner

We aim to follow focused growth strategies for each distribution channel, with a view to achieving greater diversification, as set forth below:

- *COCO Stores*: we intend to strategically expand into newer geographies by setting up newer COCO Stores for both Duroflex and Sleepyhead. These stores will serve as key touchpoints for market introduction of new and premium products under our brands. In line with our strategy to further strengthen and expand our range of furniture products, we plan to design our upcoming COCO Stores in slightly larger formats compared to some of our current COCO Stores network, in order to allow adequate space for showcasing our furniture products alongside the current mattress-focused format of a typical COCO Store. See also “*Objects of the Offer*” on page 116 of this Draft Red Herring Prospectus in relation to our plan for opening of new COCO stores.
- *General trade and trade stores*: we aim to follow a focused geographic expansion strategy to capture increased demand for products under the Duroflex brand. This includes deepening distribution in high-potential markets, expanding our distribution network and improving product availability. In addition, for Sleepyhead branded products, we will follow a differentiated geographic expansion strategy in areas where there is higher demand for Sleepyhead products enabling optimized resource allocation, stronger visibility, and sustainable growth across both brands.
- *E-commerce*: we aim to further increase e-commerce channels to capture demand and drive market penetration and build demand awareness for our COCO Stores. In particular, we aim to further expand sales growth from our own websites and will look to continuously revamp the appearance of our website.

We continue to invest in building strong relationships with our online and offline channel partners by strategically expanding product assortments, launching exclusive products tailored to specific channels, and collaborating on joint brand promotions.

Further expand our Branded Foam and Institutions/OEM business

We intend to grow the institutional sales of our mattresses to hotels, resorts, PG, co-living providers, serviced apartments, educational institutions, hospitals and government agencies to leverage the expected high-volume growth of our customers in these sectors. For example, according to the TKC Report, India’s hotel market is underpenetrated and has headroom to expand its room supply, with less than one organized hotel room for every eight hotel rooms in China as of December 31, 2024. Further, with respect to OEM customers, we are focused on increasing exports to key customers abroad, as well as institutional sales to prominent domestic retail chains.

Further strengthen our brand equity through targeted marketing initiatives

Over the last four decades, we have built a large base of customers across our brands and aim to continuously acquire new customers to drive growth. We intend to continue to invest in our brands to keep them fresh, engaging and relevant for our customers, with a view to further enhancing our brand equity and optimizing our existing brand equity to boost sales of our furniture and accessories products.

We intend to deploy a holistic marketing strategy across digital, social, and traditional platforms and actively leverage our differentiated content, community, and commerce flywheels to improve our reach and drive effective engagement to acquire new customers. Moreover, to support our offline expansion plans, we intend to differentially focus on other modes of advertising, including television advertising, to reach and target a larger customer base.

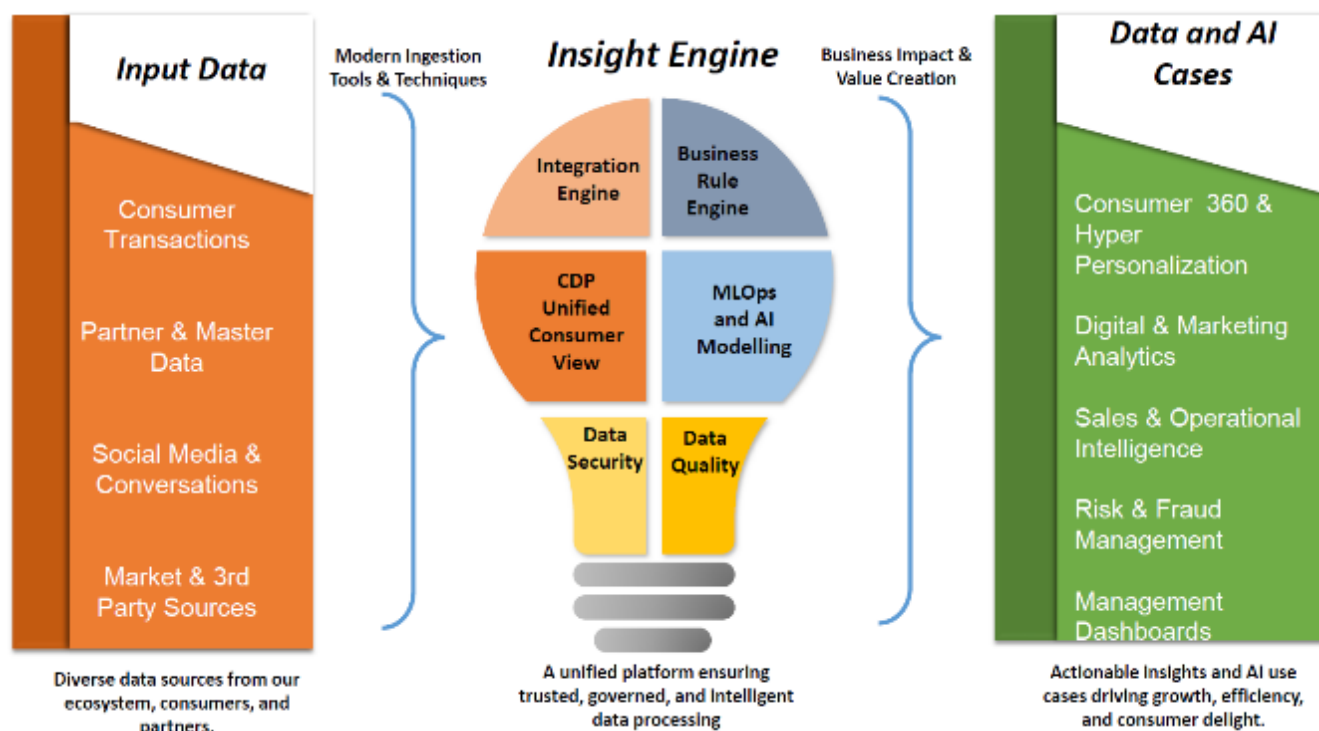
Further, we will continue to focus on creating thought leadership on the importance of sleep to health productivity, spinal health and well-being, following the example of our successful Energise product launch, see “—*Competitive Strengths—Strong brand equity, driven by a multi-pronged marketing approach*”.

Continue to invest in technology to improve customer experience and operational efficiencies

We intend to leverage technology to enhance customer experience and drive operational efficiencies to build a future-ready enterprise. In the past, we have improved our integrated technology architecture to consolidate transactional and behavioural data generated across channels into a resilient data platform. This enables insight-led decision making, personalisation at scale, and disciplined operating control across commercial, supply chain, service, and finance workflows. Furthermore, we leverage our in-house developed, proprietary order management systems for our general trade channel and branded foam channels, respectively. These custom solutions enable us to better serve our distribution partners and business customers, providing them

with the tools and visibility needed to engage with our brand effectively, efficiently manage our relationships with our numerous smaller distributors and branded foam customers and encourage these general trade and branded foam customers to grow their businesses alongside ours.

We intend to continue undertaking such initiatives to further enhance our customer experience, across all our online channels, with a focus on deploying artificial intelligence (AI) to enhance decision quality, automate routine work and improve consumer and partner experience across the value chain. For example, we are working on retail AI capabilities that will automate store-level footfall analytics and demographic insights in our COCO Stores to inform assortment, staffing and conversion programmes. The image below depicts a graphical representation of our AI-enabled analytics engine:



We intend to double down on deployment of marketing AI tools to improve the generation of creative materials and content personalisation, campaign velocity and to optimize costs. We intend to conduct AI-assisted A/B tests to personalize the customer journey across our channels. Finally, we plan to deploy chat automation, knowledge search and agent-assist to improve first-contact resolution and response time as well as speech-based call-quality analysis using AI to drive coaching, compliance and trust at scale.

Business Operations

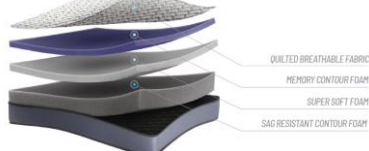
Our Product Categories

Mattresses

We offer a diverse range of mattresses, including basic essential mattresses, doctor recommended orthopedic mattresses, natural latex mattresses and mattresses with adjustable firmness to cater to various customer preferences. We provide these mattresses in sizes such as king, queen, single, double, and custom sizes to fit different bed frames. Our mattresses are available in thicknesses ranging from 4 to 10 inches. Our mattresses are categorized under three different brands (with sub-brands within each brand) covered in the table below. As of June 30, 2025, we had more than 3,900 SKUs under our mattress product category, a selection of which are described in further detail below:

Brand / Sub-Brand	Key Features	Images
Duroflex Neuma	The firmness of the mattress is adjustable, on each side separately. The mattress works with smart adjustable beds and has special technology to help keep cool.	
Duroflex Duropedic	Our Duropedic branded orthopedic mattresses offer advanced 5 Zone postural support engineered for the human body, customizable comfort, cooling technologies, and durability. The mattresses contain hypoallergenic materials and have reinforced edge support.	
Duroflex Natural Living	Our natural mattresses combine eco-friendly materials such as latex, coir, and cotton for a chemical-free sleep experience with temperature regulation and natural bounce, while offering a sustainable and hypoallergenic sleep environment.	
Duroflex Energise	This mattress offers extra softness with an extra layer of cushioning, features a 3-zone copper-infused layer for better support, mitigates partner disturbance from motion transfer, uses anti-stress fabric to block electromagnetic rays, and is made with 40% recycled yarns. Recently, the series was revamped with an innovative “arctic ice” cooling fabric to promote heat dissipation.	

Brand / Sub-Brand	Key Features	Images
Duroflex LiveIn	The roll pack mattress offers body-contouring support and pressure relief to provide high comfort and better sleep.	
Duroflex Essential	This mattress provides tailored support by gently adapting to the body and offers firm edges for added stability. Its breathable design promotes airflow, while minimizing movement and aims to provide peaceful sleep without partner disturbance.	
Sleepyhead Technic / Technic Hybrid	The mattress features an innovative hexagonal structure, has more than 3000 air channels for breathability and heat dissipation and has a pocket spring layer offering additional support.	
Sleepyhead Sense / Sense Ortho	This mattress has orthopedic properties and gently adjusts to the body's shape, offering firm support. It helps keep the spine aligned and keeps the user cool.	
Sleepyhead Original	This mattress adapts to the body to ease pressure and support the spine. Its build and design aims to minimize movement for undisturbed sleep.	
Sleepyhead Prime	The mattresses' BodyIQ memory foam and multi layered support system adapts to the body of the user. Its design aims to limit sleep disruptions due to the movement of the sleeping partner.	
Sleepyhead Switch	The mattress has a two-sided design which helps the user pick between a comfort form and a firm foam.	

Brand / Sub-Brand	Key Features	Images
Perfect Rest Memory Magic	The mattress offers memory foam at entry level for mass segment	

Backed by deep domain expertise in the manufacture of polyurethane foam, we supply a diverse range of finished mattresses products to institutional and OEM customers, including globally recognized clients with stringent quality assurance standards.

For the three months ended June 30, 2025 and in Fiscal 2025, 2024, 2023, our revenue from the sale of mattress aggregated to ₹1,601.13 million, ₹5,830.68 million, ₹5,672.62 million and ₹5,873.29 million, comprising 54.74%, 51.41%, 51.79% and 55.54% respectively, of our revenue from operations for such periods.

Furniture and Accessories

We offer a wide range of furniture and accessories, including smart beds, beds, pillows, comforters, mattress protectors, sofabeds, sofas, recliners, tables, and other furnishings, catering to various design preferences and lifestyle needs. As of June 30, 2025, we had more than 2,400 SKUs under our furniture and accessories categories.

Set forth below are certain details regarding our key furniture and accessories products:

Product	Brands Offered	Features & Sub-categories of Products	Images
Recliners	Duroflex	• Powered control • Tailored ergonomics • Duroflex Foam • Designed for lasting comfort • Breathable design	 
Sofas	Duroflex Sleepyhead	• Duroflex Octave: ○ 7" Duroflex foam ○ Zig-zag spring for cushioned comfort ○ 3 premium fabric options ○ 16 colour options • Sleepyhead Sofa Mojo: ○ Clean, curved design ○ Dual tone fabric ○ Powder coated metal legs	

Product	Brands Offered	Features & Sub-categories of Products	Images
			
Smart Beds	Duroflex	• Individual head tilt • Foot tilt • Zero gravity setting • Anti-snore mode • 3 massage modes • Mobile app & wireless remote	
Beds	Duroflex Sleepyhead	• Premium velvet fabric • Classic design • Available in 3 colours • Compatible with Wave bed & Wave Kinect mattress	
Pillows	Duroflex Sleepyhead	• Orthopedic neck support technologies • cooling technologies	
Bed Accessories	Duroflex	• comforters • mattress protectors • made with anti-viral materials	

Product	Brands Offered	Features & Sub-categories of Products	Images
Sofabeds	Sleepyhead	- versatile designs - fold out deployment	
Wood Furniture	Sleepyhead	- bedside tables - coffee tables - shoe racks - TV units	
Accessories	Sleepyhead	- throws - blankets and bedsheets - cushions and covers - dhurries	

For the three months ended June 30, 2025 and in Fiscal 2025, 2024, 2023, our revenue from the sale of furniture aggregated to ₹151.95 million, ₹610.22 million, ₹760.00 million and ₹522.24 million, comprising 5.19%, 5.38%, 6.94% and 4.94%, respectively, of our consolidated revenue from operations for such periods. While for the three months ended June 30, 2025 and in Fiscal 2025, 2024, 2023, our revenue from the sale of accessories aggregated to ₹69.29 million, ₹338.58 million, ₹422.10 million, and ₹463.03 million, comprising 2.37%, 2.99%, 3.85% and 4.38% respectively, of our consolidated revenue from operations for such periods.

Branded Foam

In addition to our portfolio of finished mattress, furniture and accessories, we also produce multiple grades of polyurethane foam which vary in terms of grade, density and thickness including cushioning foams used in sofas and furniture, comfort foams designed for mattresses (offered in four distinct variants).

The table below provides a snapshot of our various foam products:

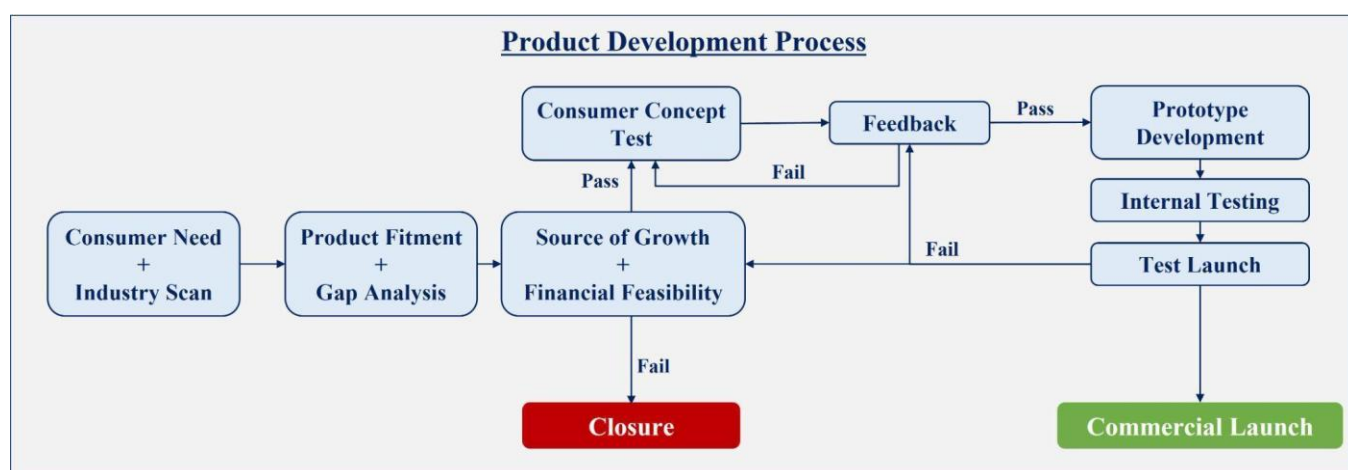
Product	Product Types	End-use industries/applications
Cushioning Foam	High Resilience Premium Grade Semi-Premium Grade Specialist Foam	Sofas and furniture
Comfort Foam	Visco Elastic Foam Roll Foam Latex Like Foam Hyper Soft Foam	Mattresses and upholstery Comfort layer in mattresses, mattress toppers Quilting Pillows and cervical pillows Garments Packaging industry Comfort layer for seating Lingerie
Technical Foam	Lamination Grade Noise Reduction Fire Retardant	Automotive and transport Industry Furniture and bedding

Product	Product Types	End-use industries/applications
	Anti-Static Hard Foam	Acoustic application Garment industry Protection for electric items Packaging industry

For the three months ended June 30, 2025, in Fiscal 2025, 2024, 2023, our revenue from the sale of branded foam aggregated to ₹1,075.11 million, ₹4,465.31 million, ₹4,011.04 million and ₹3,563.14 million, comprising 36.75%, 39.37%, 36.62% and 33.69%, respectively, of our consolidated revenue from operations for such periods.

Product Development Process

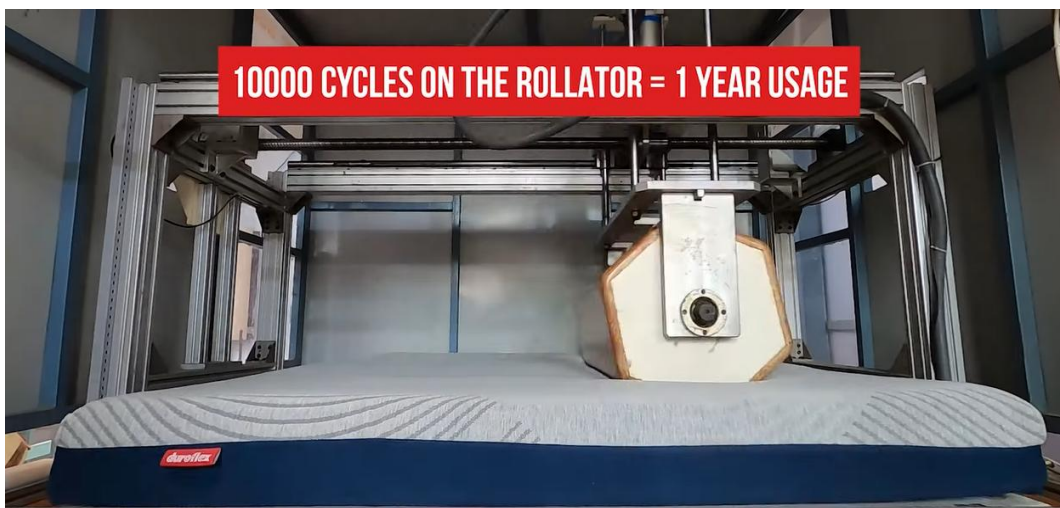
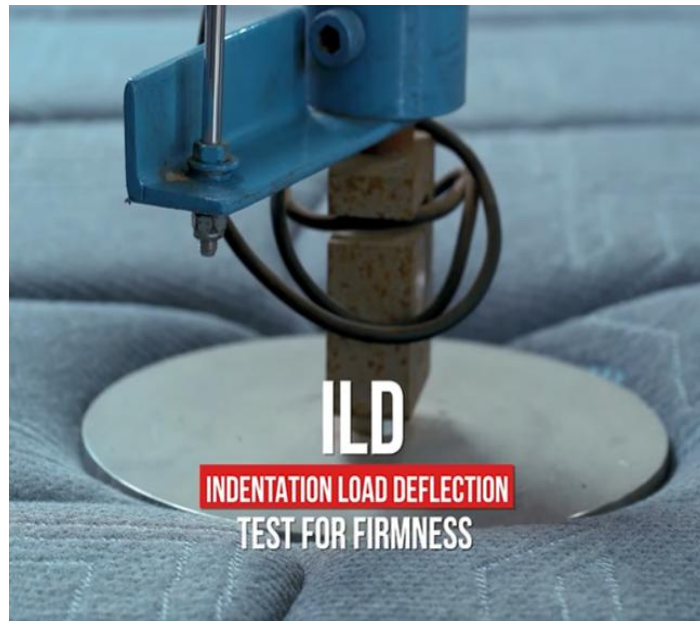
Customer focused product innovation has been a key strength of our business model. Our product development process involves five steps: conceptualization, engineering, prototyping, production development, and pilot testing, as shown below. Across these five stages, as of June 30, 2025, our in-house R&D team comprises 17 employees.



Conceptualization. Our product conceptualization process starts with the identification of an unmet customer need in the marketplace, coupled with an assessment of the latest international product and design developments including in materials engineering, and importantly financial analysis as to the prospects for the new product across our markets. Our overall conceptualization process is guided by functionality, durability, aesthetics, material, and price point to ensure our products are well-suited to meet market needs and customer preferences.

Consumer Concept Testing. At this stage, we validate the product concept with a sample set of consumers, to refine the planned customer journey and readiness for the product concept before dedicating resources to further product development. This customer feedback process can be iterative, and if negative feedback is received the consumer product concept can be refined with further feedback being sought.

Prototyping and Engineering. Our team works to transform the design concept into mass-producible products. This stage involves identifying the most suitable material combinations to ensure not only product durability but also structural stability. Prototypes made of the material combinations identified at the engineering stage undergo rigorous testing for strength, stability, and durability to ensure they meet our standards. Testing is done at external laboratories, such as TÜV as well as our own in-house testing facilities. The extensive testing includes ILD (Indentation Load Deflection) for firmness and rollator (50,000 – 100,000 cycles equivalent to a five-to-ten-year usable life) test for mattress durability.



Internal testing and production development. We outline the production plan, using either our in-house or outsourced manufacturing capabilities for some furniture and accessories products, as well as supply chain operations tailored to the products. We also prepare guidelines for assembly and packaging aimed at ensuring efficiency and quality.

Test Launch. Pilot production runs are conducted for training, operational readiness, and market testing. During *this* process, we gather feedback from internal teams, including production, operations, supply chain, and logistics, as well as from the customer segments before proceeding to a full commercial launch.

Our product development approach and process are demonstrated by the following case studies:

Case Study: Duro Safe Mattress Protector with Viroblock. During the COVID-19 pandemic, we collaborated with a Swiss textile technology company to incorporate their anti-viral fabric technology into an accessible product optimized for the Indian market: our Duro Safe mattress protector, which was launched in September 2020. In addition to its anti-viral properties, this protector is also waterproof, anti-dust mite and safe for skin.

Case Study: Heat Absorption Technology. Our product innovation process recognized that temperature-controlled mattresses would be a competitive differentiator in the market. Our product innovation team identified a phase change material, originally developed by a German company, for regulating body temperature in spaceflight, as the ideal solution to this issue and implemented this technology in certain of our high range models to absorb excess body heat which can cause discomfort during sleep.

Case Study. Bed in a Box. Our bed-in-a-box logistics model for certain products, is enabled by roll-pack technology, which emerged globally in the mid-2000s, offers compact, cost-efficient mattress delivery. In India, we introduced this model under our Sleepyhead brand in 2017, following our early experimentation with roll-pack machinery dating back to 2008. We addressed logistical inefficiencies associated with traditional full-size mattresses—such as high freight costs and large storage requirements—by adopting vacuum compression and direct-to-consumer distribution. Roll-pack technology also enabled broader market access, including Tier-2 and Tier-3 cities, and improved warehouse utilization. The compact packaging created a distinctive unboxing experience that was leveraged in marketing campaigns featuring influencers.



Registered Intellectual Property

A. Trademarks

As on the date of this Draft Red Herring Prospectus, our Company has registered 132 trademarks under classes 1, 7, 9, 17, 18, 20, 22, 24, 27, 35, 37, 40 and 42 with the Registrar of Trademarks under the Trade Marks Act. Further, as on the date of this Draft Red Herring Prospectus, we have applied for 103 trademarks under classes 1, 7, 9, 17, 18, 19, 20, 22, 24, 27, 35, 37, 40 and 42, and have four pending trademarks in the in the United States of America, all of which are currently outstanding.

As on the date of this Draft Red Herring Prospectus, our Material Subsidiary, Shivaarna, has registered two trademarks under class 20 with the Registrar of Trademarks under the Trade Marks Act. Further, as on the date of this Draft Red Herring Prospectus, Shivaarna has filed one application for registration of a trademark under class 20 with the Registrar of Trademarks under the Trademarks Act, 1999, which is currently outstanding.

B. Copyrights

As on date of this Draft Red Herring Prospectus, our Company holds three copyrights under the Copyrights Act. Further, our Subsidiaries do not hold any copyright as on date of this Draft Red Herring Prospectus.

C. Patents

As on date of this Draft Red Herring Prospectus, our Company has filed two applications for grant of patents under the Patents Act, which are currently outstanding. Further, our Subsidiaries do not hold any patent as on date of this Draft Red Herring Prospectus.

For further information, see *“Risk Factors - If we fail to protect or incur significant costs in defending our intellectual property or if we infringe the intellectual property rights of others, our business, results of operation and financial condition could be adversely affected.”* on page 40.

Marketing and Promotion

We have followed a ‘house of brands’ strategy such that each brand and sub-brand has a differentiated value proposition that enables us to cater to customers with distinct needs and preferences, allowing us to position ourselves as a one-stop-shop for customers’ mattress requirements. As a result, we are positioned to capture customer segments across in the sleep and comfort solutions market, offering us the capability to address a wide price spectrum.

Our approach to customer outreach focuses on building strong, enduring relationships and bolstering customer loyalty to our brand. This involves a blend of community engagement, strategic marketing, celebrity collaborations, and cultural integration. As of June 30, 2025, we had a dedicated marketing team comprising 19 employees.

Through our content-based marketing, and celebrity and influencer driven campaigns, we aim to create thought leadership, health awareness on the importance of sleep, and customer aspiration for premium mattresses. A number of our campaigns have

been aimed at highlighting the awareness of the importance of sleep for health, productivity and well-being and the importance of an orthopedic mattress for good spinal support. We follow a multi-pronged approach towards marketing, spanning celebrity collaborations, community engagement, social media influencers and marketing campaigns. Our marketing strategy follows a targeted approach for different products and customer categories. For further details, see “- *Our Strengths - House of brands capturing multiple customer segments and price points*” and “- *Our Strengths - Strong brand equity, driven by a multi-pronged marketing approach*” on pages 189 and 192.

In the three months ended June 30, 2025, Fiscal 2025, 2024 and 2023, our advertisement and sales promotion expenses were ₹160.56 million, ₹730.11 million, ₹850.14 million and ₹758.81 million respectively, representing 5.49%, 6.44%, 7.76% and 7.18% of our revenue from operations, respectively.

Distribution and Logistics

As of June 30, 2025, our distribution network comprised 19 warehouses: one mother warehouse located in Hosur within the premises of Manufacturing Facility VII and 18 regional depots across India. The mother warehouse serves as the central hub for inventory consolidation and replenishment. The regional depots act as regional distribution points, from where dispatches are made directly to consumers, as well as to online marketplaces, our COCO Stores, e-commerce platforms, and select distributors. Our COCO Stores generally do not hold material inventory, with orders being satisfied by direct delivery from a regional depot.

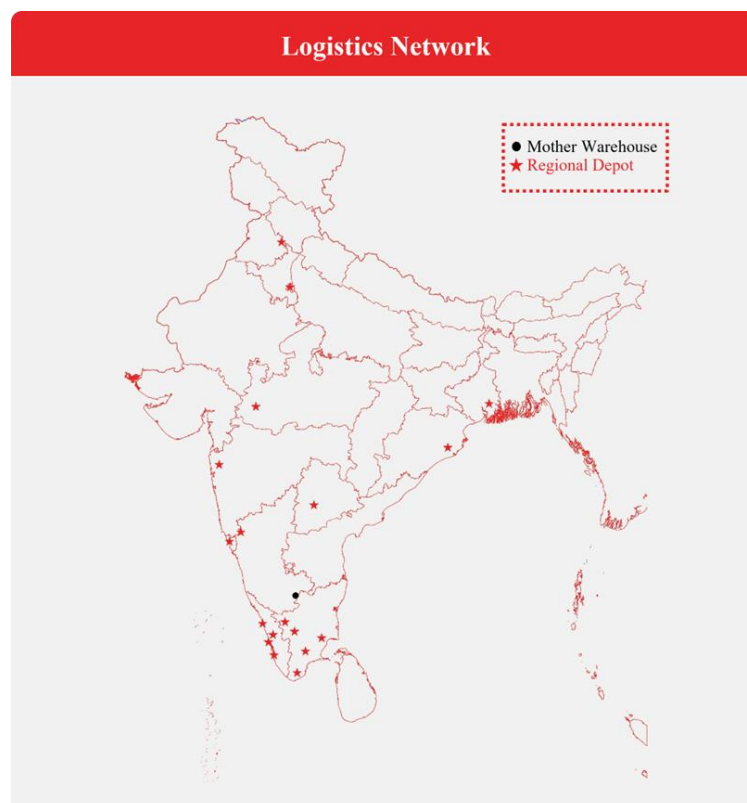
Our distribution flow typically operates as follows: inventory is first consolidated at the mother warehouse, subsequently allocated to regional depots based on demand patterns, and finally dispatched to multiple sales channels, including directly to consumers, marketplaces, COCO Stores, e-commerce platforms, and distributors. This multi-tier structure enables us to improve delivery timelines, optimize logistics costs, and ensure product availability across key markets in India. For our branded foam business distribution and logistics arrangements are made on a case-by-case basis depending on the volume of the order and location of the customer.







Our transportation and logistics operations are structured to ensure efficient and reliable delivery services that enhance customer satisfaction. For mattress deliveries, we primarily use our transport network through hired transport services, and for areas beyond our reach, we engage third-party logistics service providers. For furniture, we use our own network for most orders, with third-party providers handling the rest. We optimize our packaging to reduce logistics costs—flat-packing for furniture and roll-packing for mattresses. We utilize technology and analytics platforms for manufacturing and inventory management, logistics, to improve inventory management, route planning, and operational transparency. Our order management system directs orders to the most optimal delivery paths, with last-mile route planning managed through a logistics management platform.



Sales Channels

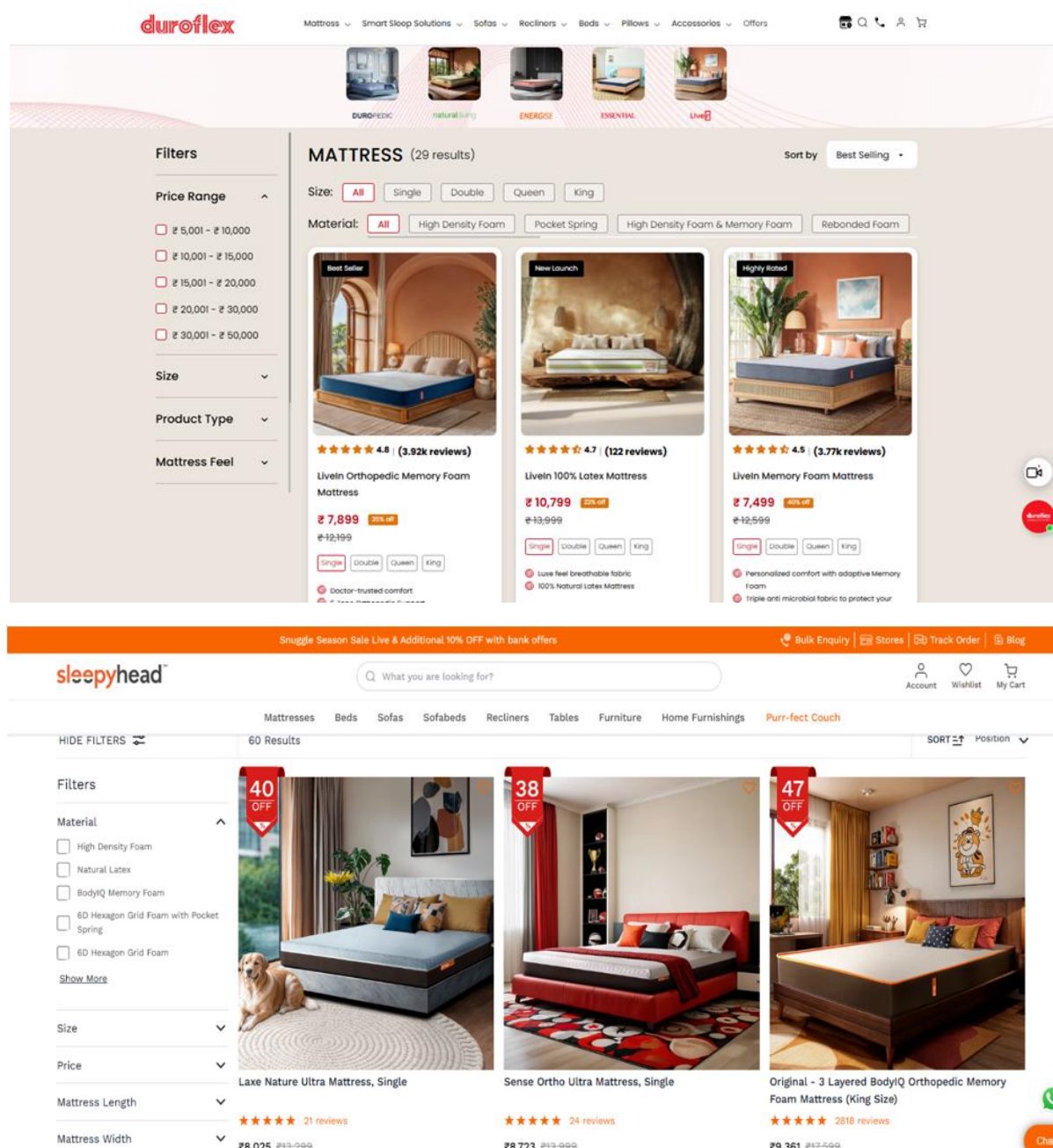
We offer our products to our customers through a diversified omni-channel distribution network, across multiple online and offline touchpoints. Our distribution channels include branded foam sales, institutional and OEM sales, COCO Stores, general trade and e-commerce. Through this network, we are able to make our products available pan-India across 28 states and 6 union territories in India, as of June 30, 2025.

Set out below is a summary of our main distribution and sales channels:

E-commerce

Our websites provide a seamless shopping experience, with easy navigation, comprehensive product details with rich content, and tools such as measurement guides and 3D renders to assist customers in making well-informed decisions, as shown below. Our products are also sold on various marketplaces, including major e-commerce platforms, offering customers the convenience of shopping on platforms they are familiar with.

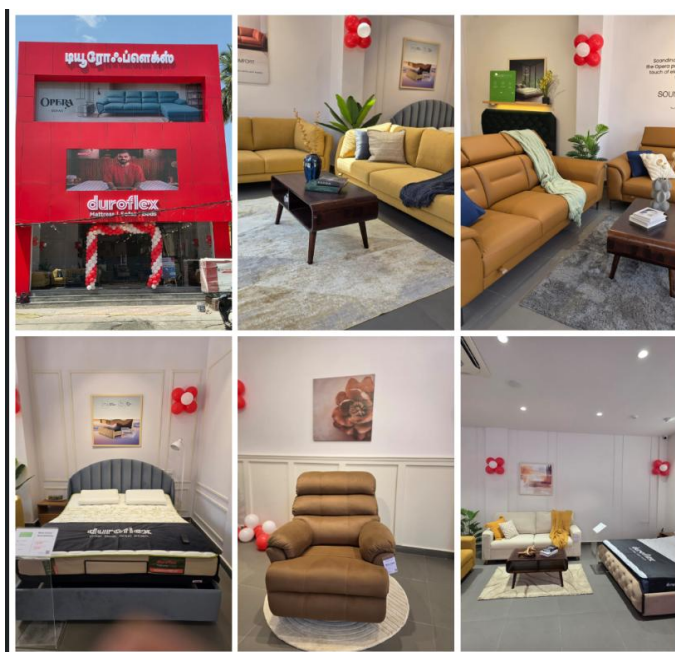
Images of our e-commerce platforms are set out below:



COCO Stores

These stores offer customers a hands-on experience with our products, enhancing their understanding and trust in our brand. We have grown our COCO Stores to 73 as of June 30, 2025, located in 31 cities across 14 states and 2 union territories. In addition, we also own and operate one small storefront for branded foam in Kerala, which was recently started as a pilot project directed at small and medium enterprise buyers of branded foam. This store is excluded from the total number of COCO Stores. In the three months period ended June 30, 2025 and Fiscals 2025, 2024 and 2023, we have added 2, 4, 14 and 12 COCO Stores, respectively. Our COCO Stores are exclusive stores for our products operated by the Company, ranging from 330 square feet to 4,500 square feet, with an average area of approximately 1,700 square feet, operating without holding bulky inventory: thereby improving our capital efficiency. Our strategy for adding new COCO Stores is data-driven, focusing on identifying locations with higher business potential. We assess market demand, including from our e-commerce sales, population density, and demographic trends to understand where our products have the best potential. We also review the sales performance of our existing COCO Stores to identify successful patterns and replicate them in new areas. This strategic approach has been instrumental in our retail store expansion.

Images of our COCO stores are set out below:



General Trade and trade stores

Our general trade channel includes a network of retail and wholesale furniture and homewares stores, including those that are operated by our franchisees. These outlets are accessed by us through our network of distributors and trade stores. According to the TKC Report, our 5,408 trade stores are the second broadest distribution network in the Indian sleep and comfort solutions industry as of March 31, 2025.

As of June 30, 2025, we worked with an aggregate of 375 distributors across India. We deploy our proprietary general trade management system across large distributors in the offline channel to help enhance our visibility of secondary sales and inventory. The data captured from this tool is also leveraged to optimize demand planning and trade marketing activities in the general trade channel. Additionally, we actively leverage insights on consumer preferences from our e-commerce and COCO Stores channels at a pin-code level to define our offline store expansion and regional prioritization strategies. This data is further leveraged to optimize our merchandising and portfolio rationalization strategies at a micro-market level.

Certain of our premium trade stores, some of which carry substantially only our products, help us curate a richer brand experience for our consumers and deepen engagement with them in the offline retail environment, complementing and, in certain geographic areas, bridging gaps in our current COCO Stores network while providing an improved customer experience. Through these premium trade stores, we aim to capitalize on strategic categories such as color cosmetics which require a more personalized service and experience to facilitate purchase.

OEM and Institutional Sales

In contrast to our consumer facing mattress and adjacent products businesses, our OEM and institutional branded mattresses are sold directly to customers, including marquee national and international brands (European and American furniture retailers) on white label basis and institutions across the hospital, hospitality, education and government sectors.

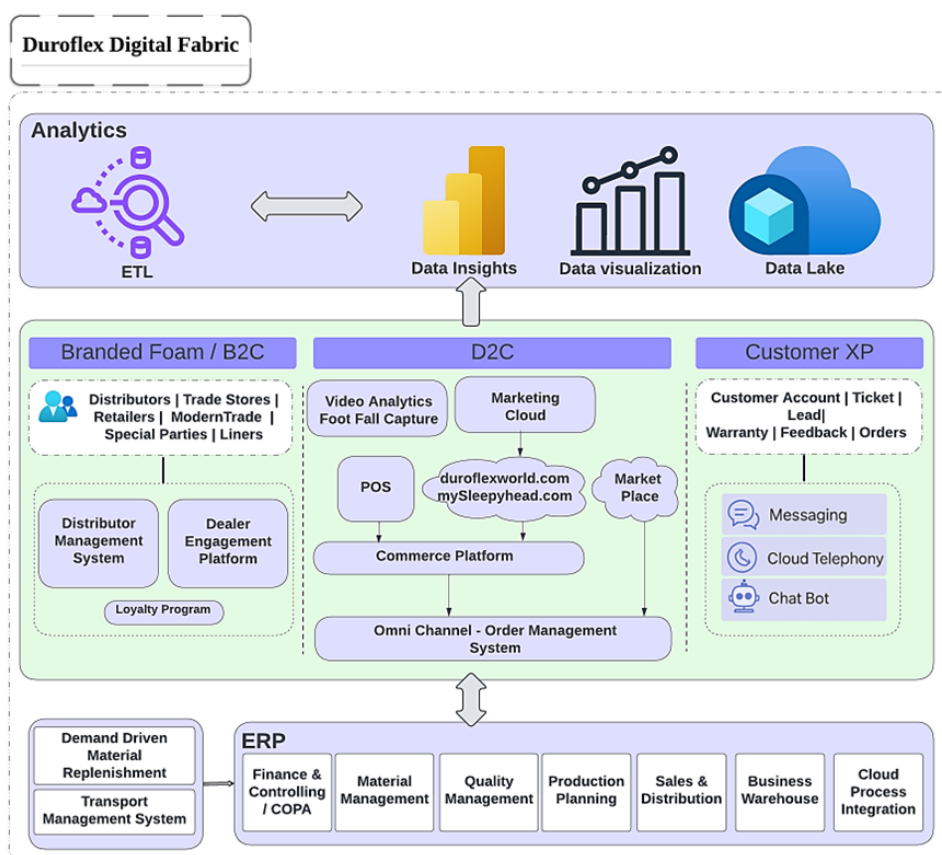
We have a dedicated sales team which handles business development and relationship management of our branded mattresses. Our institutional sales personnel visit our customers periodically and deal directly with them or their representatives, and are responsible for customer acquisition, as well as identification and liaising with the global hospitality segment.

Information Technology

Our information technology (“IT”) infrastructure is one of the cornerstones of our strategy, designed to optimize key aspects of our business, including product development, customer experience, and operational efficiency. We have invested in a modern, scalable technology stack to support our omnichannel operations including for enterprise resource planning, cloud-based customer relationship management, and for order processing across various channels. These technologies facilitate efficient inventory management, enhanced customer engagement, and streamlined order fulfillment.

We utilize data science and analytics to understand customer behaviour and preferences, which allows us to make informed, data-driven decisions. The foundation of our analytics capability is a comprehensive data lake built on a cloud computing platform. This system ingests and processes data from across our business operations, enabling us to generate critical insights that refine our customer acquisition strategies and improve conversion rates. This integrated ecosystem provides a unified view of our customer, enhancing our marketing and service efforts.

Our website and internal systems are architected to promote reliability and security. We leverage our in-house developed, proprietary order management systems for our general trade channel and branded foam channels, respectively, alongside partnerships with other technology providers to enhance inventory accuracy, route planning, and overall operational transparency for our trade partners.



To safeguard against IT risks such as cyber-attacks, data breaches, and system failures, we employ a robust cybersecurity framework. This framework is built on foundational security measures, including enterprise-grade firewalls and comprehensive endpoint protection across our devices to identify and mitigate potential vulnerabilities. Furthermore, we partner with leading SaaS platform providers that adhere to stringent, globally recognized security standards, providing an additional layer of

protection for our data. Data storage and backup solutions are critical components of our IT strategy. We leverage secure, cloud-based solutions, which offer scalability and resilience. Regular data backups are performed, and integrity is verified to prevent the loss of critical information. We have also implemented disaster recovery plans that outline procedures for restoring IT systems and data in the event of a major disruption to ensure business continuity.

Manufacturing

We operate seven manufacturing facilities, located in three states. Our facilities are equipped with imported machinery and automation technologies, such as robotic arms and roller belts, which streamline the production process and reduce waste. We continuously invest in enhancing our manufacturing capabilities and automation. Our focus is on efficient production processes, quality manufacturing, and technological innovations.

Facilities

As on the date of this Draft Red Herring Prospectus, we operate 10 manufacturing units across our seven facilities, the details of which are as follows:

Name of manufacturing facility	Commencement of operation	Products manufactured	Location	Lease Validity	Whether related party transaction (yes/no)	Nature of ownership interest
Manufacturing Facility I	2005	Foam	Survey No. 88,89/1,89/2, Komaranapalli Village, Denkanikottai Taluk, Krishnagiri District, Tamil Nadu, India	NA	No	Freehold rights
Manufacturing Facility I	2005	Foam Sheets	Survey No. 88,89/1,89/2, Komaranapalli Village, Denkanikottai Taluk, Krishnagiri District, Tamil Nadu, India	NA	No	Freehold rights
Manufacturing Facility I	2017	Mattress ~~(OEM)~~	Survey No. 88,89/1,89/2, Komaranapalli Village, Denkanikottai Taluk, Krishnagiri District, Tamil Nadu, India	NA	No	Freehold rights
Manufacturing Facility II	1988	Mattress	Survey No. 131 to 135, Kallugondapalli Village, Denkanikottai Taluk, Krishnagiri District, Tamil Nadu, India	NA	No	Freehold rights
Manufacturing Facility III	2008	Mattress	Survey No. 245/1, 244/1, 244/2A, 243/2B1, 243/2B2, Plot No. 3rd KM, Karimangalam to Pannandur Road, Dhamodharahalli Panchayat, Pochampalli Taluk, Krishnagiri District, Tamil Nadu, India	NA	No	Freehold rights
Manufacturing Facility IV	2023	Foam Sheets	Survey No. 582, Rampally (V), Keesara (M), Medchal, Malkajgiri District, Hyderabad, Telangana	December 31, 2026	No	Leasehold rights
Manufacturing Facility V	2020	Foam	Survey No. 435/3, 435/4, Sanwer-Kshipra Road, Hatuniya Village, Kshipra Tehsil, Indore, Madhya Pradesh	NA	No	Freehold rights
Manufacturing Facility VI	2021	Foam Sheets	Manufacturing facility operated by Shivaarna at Survey No. 9/1/2, 9/1/3 and 10/2 Baroda Village, Arjun Parwari Halka Peerkardiya Kshipra, Sanwer Tehsil, Indore, Madhya Pradesh	June 30, 2028	No	Leasehold rights
Manufacturing Facility VI	2021	Mattress	Manufacturing facility operated by Shivaarna at Survey No. 9/1/2, 9/1/3 and	June 30, 2028	No	Leasehold rights

Name of manufacturing facility	Commencement of operation	Products manufactured	Location	Lease Validity	Whether related party transaction (yes/no)	Nature of ownership interest
			10/2 Baroda Village, Arjun Parwari Halka Peerkardiya Kshipra, Sanwer Tehsil, Indore, Madhya Pradesh			
Manufacturing Facility VII	2025	Sofa	Survey No. 766, Avigna Industrial Park, Kelamangalam, Denkanikottai Taluk, Krishnagiri District, Tamil Nadu, India	February 20, 2037	No	Leasehold rights





Installed Capacity, Actual Production and Capacity Utilisation

The following table sets forth certain information relating to the installed capacities, available capacities, actual production and capacity utilisation of certain of our key products for the period indicated. Capacity is denominated in metric tons, other than for furniture which is denominated in sofa seats

Manufacturing Facility	Products Manufactured	Three months period ended June 30, 2025				Fiscal 2025				Fiscal 2024				Fiscal 2023			
		Installed capacity	Available capacity	Actual production	Capacity utilization (%)	Installed capacity	Available capacity	Actual production	Capacity utilization (%)	Installed capacity	Available capacity	Actual production	Capacity utilization (%)	Installed capacity	Available capacity	Actual production	Capacity utilization (%)
Manufacturing Facility I	Foam	5,406	5,406	5,357	99%	21,624	21,624	19,512	90%	21,624	21,624	17,676	82%	21,624	21,624	15,552	72%
Manufacturing Facility I	Foam Sheets	3,252	3,252	2,217	68%	13,008	13,008	8,039	62%	13,008	13,008	7,292	56%	13,008	13,008	7,636	59%
Manufacturing Facility I	Foam Mattress- Roll Pack	79,272	39,636	34,609	87%	3,17,088	1,58,544	1,34,380	85%	3,17,088	1,58,544	1,43,401	90%	3,17,088	1,58,544	1,15,246	73%
Manufacturing Facility II	Foam Mattress- Roll Pack	76,248	50,832	45,340	89%	3,04,992	2,03,328	1,16,687	57%	3,04,992	2,03,328	1,39,206	68%	3,04,992	2,03,328	1,43,315	70%
Manufacturing Facility II	Foam Mattress- Flat Pack	30,456	20,304	12,741	63%	1,21,824	81,216	58,321	72%	1,21,824	81,216	67,679	83%	1,21,824	81,216	79,223	98%
Manufacturing Facility II	Spring Mattress-Flat Pack	34,344	34,344	29,932	87%	1,37,376	1,37,376	87,935	64%	1,37,376	91,584	59,139	65%	1,37,376	91,584	48,953	53%
Manufacturing Facility III	Coir Mattress	43,200	43,200	33,689	78%	1,72,800	1,72,800	1,66,161	96%	1,72,800	1,72,800	1,65,804	96%	1,72,800	1,72,800	1,79,849	104%
Manufacturing Facility III	Foam Mattress- Flat Pack	75,600	50,400	47,903	95%	3,02,400	2,01,600	1,11,191	55%	3,02,400	2,01,600	98,672	49%	3,02,400	2,01,600	1,03,348	51%
Manufacturing Facility IV	Foam Sheets	813	271	132	49%	3,252	1,084	531	49%	3,252	1,084	438	40%	3,252	1,084	200	18%
Manufacturing Facility V	Foam	3,603	3,603	2,651	74%	14,412	14,412	8,738	61%	14,412	14,412	7,030	49%	14,412	14,412	6,397	44%
Manufacturing Facility VI	Foam Mattress- Roll Pack	76,248	38,124	19,367	51%	3,04,992	50,832	31,560	62%	3,04,992	25,416	13,951	55%	3,04,992	25,416	20,073	79%
Manufacturing Facility VI	Foam Mattress- Flat Pack	51,840	34,560	24,731	72%	2,07,360	1,38,240	85,095	62%	2,07,360	1,38,240	70,633	51%	2,07,360	1,38,240	76,443	55%
Manufacturing Facility VI	Spring Mattress-Flat Pack	10,800	7,200	6,979	97%	43,200	14,400	13,191	92%	43,200	14,400	8,155	57%	43,200	14,400	6,452	45%
Manufacturing Facility VI	Foam Sheets	3,252	2,710	2,012	74%	13,008	10,840	6,787	63%	13,008	10,840	5,374	50%	13,008	10,840	4,475	41%
Erstwhile Sofa facility*	Sofa	31,104	20,736	18,250	88%	1,24,416	82,944	63,946	77%	1,24,416	82,944	65,944	80%	62,208	41,472	29,531	71%

* The plant set up in a manufacturing park for manufacturing sofas was operational till July 31, 2025 (“Erstwhile Sofa Facility”), and has been shifted to Manufacturing Facility VII, Kelamangalam, Tamil Nadu from August 1, 2025. As a result, our annualized capacity of sofa seats at Manufacturing Facility VII increased to 187,776 seats annually.

^ In Fiscal 2023, at Manufacturing Facility III (coir mattress facility), the coir production line operated beyond its standard two-shift design for one quarter in order to fulfil market orders.

The information relating to the installed capacities, available capacities, actual production and capacity utilization of certain of our product categories included below and elsewhere in this Draft Red Herring Prospectus are based on various assumptions and estimates of our management that have been taken into account by AJVA SP Appraisal Services Private Limited, an independent chartered engineer, on behalf of Duroflex Private Limited, in the calculation of our capacity. Undue reliance should therefore not be placed on our capacity information or historical capacity utilization information for our existing manufacturing facilities included in this Draft Red Herring Prospectus. See “Risk Factors – Information relating to our installed capacity and the historical capacity utilization of our products included in this Draft Red Herring Prospectus is based on various assumptions and estimates and future production and capacity utilization may vary” on page 58.

Raw Materials and Procurement

Our primary raw materials for branded foam and mattress production include chemicals, in particular petrochemicals such as toluene diisocyanate and polyol to produce foam, in addition to springs, natural latex, fabric and glue. Our adjacent products also require natural and processed wood, fabrics, glue, and metal goods. Our procurement team sources these materials from India and outside India, focusing on cost, quality standards, inventory management, and supply stability. We have in the past sourced machinery from Germany and Norway. We monitor market trends, geopolitical scenarios, shipping costs, and regulatory changes to adapt sourcing strategies. We use real-time global price and trend tools for informed decision-making.

We procure raw materials primarily through purchase orders based on our ongoing production needs. We have fostered close relationships with our suppliers to ensure a reliable supply of key raw materials. The availability of multiple suppliers for our key raw materials allows us to readily identify alternative sources. The table below provides our cost of materials consumed, as a percentage of our revenue from operations, in relevant period/years:

Particulars	Three months period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Cost of materials consumed (₹ million)	1,623.02	6,144.15	5,698.14	5,351.33
Revenue from operations (₹ million)	2,925.19	11,342.50	10,952.96	10,574.87
Cost of materials consumed as a percentage of Revenue from operations	55.48%	54.17%	52.02%	50.60%

Key Manufacturing Processes

We are dedicated to delivering quality products to our customers. To achieve this, we utilize advanced automation technologies in our foam, mattress and furniture manufacturing processes, ensuring production agility, precision, and minimal wastage.

Branded Foam

Our branded foam manufacturing process, either for direct sales of branded foam or as an intermediate step to mattress manufacturing, has multiple stages, including foam manufacturing, curing, and cutting.

Details of the key steps of the mattress manufacturing process are as follows:

Foam manufacturing - The foam manufacturing process utilizes multiple chemicals with specific formulations, including toluene diisocyanate and methylenediphenyl diisocyanate. We operate international foaming machines that we have imported from suppliers in Germany and Norway.

Curing and Conditioning- Foam blocks undergo a 24 to 48-hour curing process, during which temperature is closely monitored to prevent fire hazards. A modular safety system, including extinguishers and temperature-sensing mechanisms, is in place to enhance operational security. After curing, foam blocks are conditioned for an additional 48 hours before cutting, to promote molecular bonding.

Cutting - Foam blocks are trimmed and sliced using specialized machinery.

Mattress Manufacturing

Once the branded foam manufacturing process has concluded, the mattress manufacturing process involves several additional steps including gluing, stitching, and roll-packing, supported by safety systems to ensure operational reliability.

Details of the key steps of the mattress manufacturing process are as follows:

Gluing - Foam layers are assembled and glued using water-based adhesives.. The adhesive used is a water-based glue which is treated with an infrared energy source to ensure bonding at a molecular level, (except in case of spring mattresses) which improves efficiency and reduces costs, when compared to hot melt glue.

Customization - Custom mattress orders are further trimmed and finalized during this stage to meet specific customer requirements.

Packing – Stitched inner liner and outer covers are applied to the mattress before packing (either flat or roll packing, depending on the model).

Furniture Manufacturing

Our furniture manufacturing process combines advanced technology, craftsmanship, and sustainable practices to deliver quality products. For solid wood, we have capabilities of CNC cutting, neem wood cutting, quilting, planer cutting, band saw and

drilling. Our engineered wood processing includes optimized cutting for high yield, and edge banding. Final products are flat-packed in 5-ply recyclable cardboard boxes to minimize damage and environmental impact, while optimizing logistics.

Quality Assurance and Quality Control

We place emphasis on the quality of our products through a multi-layered approach to ensure quality checks and quality control. This approach incorporates various checks and balances throughout the manufacturing process. As of June 30, 2025, our dedicated quality control team comprises 21 employees which regularly supervises and ensures that our quality control procedures are adhered to at each stage. We observe high quality standards and good manufacturing practices at our manufacturing facilities. Our facilities have received certifications from Sedex, ISO and BIS (for details, see “—*Manufacturing—Facilities*”). We have established quality standards for raw materials. Imported raw materials such as petrochemicals undergo quality checks, which confirm moisture content, weight of laminates and other important technical data prior to entering our foam production lines. We integrate quality checks into the manufacturing process at different stages. Quality and physical characteristics of our foam are regularly tested before being integrated into our finished mattress and furniture products, with regular ILD, tensile strength, elongation, resilience, airflow, compression, pounding and shear fatigue tests conducted post-foaming. Dimensional and visual inspections are conducted after the cutting process. We also conduct testing of finished products before packaging and shipping. We actively collect customer feedback and use it to identify any quality issues and guide improvements. We invest in technology and automation to enhance our quality control and assurance processes. This may include using machinery, sensors, data analysis, and automated testing equipment. Further, each product platform in furniture is tested and certified by external laboratories for a specific weight and cycle range.

Karl Fischer Titrator (Moisture content)	Universal Testing machine	Resilience Tester
Compression Set	Hardness Tester	Airflow Tester

Returns and Replacements

Our return and replacements process aims to minimize costs and maximize the value of returned items. Mattresses are returned under a 10-day return policy for most of our mattress products and 100 days for certain premium mattress products. Returned mattress products are sent back to the factory for re-processing.

Employees

As of June 30, 2025, we had 797 permanent employees. The table below sets forth details of our employees, as of June 30, 2025:

S No	Particulars	Employees
1	Operations^	343

S No	Particulars	Employees
2	Sales and Retail	277
3	Support*	108
4	Quality	21
5	Marketing	19
6	R&D	17
7	Director and Administration	12
	Total	797

^ includes Factory Operations and Supply Chain Management

* includes Finance, HR, legal, IT, Corporate Support team, CRM

The following table sets forth the details regarding rate of attrition of our employees (excluding skilled and unskilled labourers) in the period/years indicated:

Particulars	Three-month period ended June 30, 2025	As of the year ended March 31, 2025	As of the year ended March 31, 2024	As of the year ended March 31, 2023
Number of permanent employees	797	781	823	831
Attrition rate of permanent employees	23.00%	23.00%	22.00%	21.00%

Note: The attrition rate is calculated based on permanent employees who were active at the start of the period and left the organization during the same period

A portion of our workforce is represented by a trade union, Duroflex Employees Union. We have not experienced any material work stoppages due to labour disputes or cessation of work in the three months period ended June 30, 2025, and the last three Fiscals. We also engage contract labour to facilitate our manufacturing operations. As of June 30, 2025, we engaged 1,314 contract labourers.

We prioritize good governance practices, including granting employee stock options (“ESOPs”) to our workforce, irrespective of designation. We prioritize the well-being of our workforce through diverse programs and engagement initiatives designed to create a healthy and supportive work environment. ‘KinCare’ is one such initiative, designed to provide support for employees by ensuring that their parents and dependents receive timely care during emergencies through an appointed agency, thereby offering peace of mind and reinforcing overall employee well-being. These initiatives are aimed at driving employee well-being and fostering a positive workplace culture.

Also, see “Risk Factors - Our business is manpower intensive. Our business may be adversely affected by work stoppages, strikes, lockouts, increased wage demands by our employees, or an increase in minimum wages, and if we are unable to engage new employees at commercially attractive terms.” on page 47.

Corporate Social Responsibility

We have constituted a corporate and social responsibility (“CSR”) committee of our Board of Directors (the “CSR Committee”) and have adopted and implemented a CSR policy pursuant to which we carry out our CSR activities. For further information, see “Our Management – Committees of the Board –Corporate Social Responsibility Committee” on page 254.

Strategic Collaboration: One of India’s Olympic athlete training facilities

We had entered into a strategic partnership with one of India’s Olympic athlete training facilities to enhance the performance recovery of Indian-Olympic level athletes through scientifically designed sleep solutions. Under this initiative, we supplied performance-grade mattresses from our flagship “Duropedic” and “Energise” ranges as high-performance sleep solutions for the Olympic-level athletes. These products integrate advanced sleep technology aimed at improving sleep duration and quality, supporting muscle recovery, and reducing injury risk.

Environmental & Sustainability Initiatives

We integrate sustainability across our business, in sourcing of raw materials, manufacturing, logistics and the design of our products with the goal of lowering the environmental impact of our business and enhancing long-term resilience. Where possible, we use eco-friendly materials like reclaimed wood, recycled metals, and natural fibres in our product manufacturing; for example, we make some of our foam with bio-polyols which are sourced from vegetable oils instead of petrochemicals which not only reduce demand for fossil fuels but offer lower emissions of volatile organic compounds and improved biodegradability. Our manufacturing operations use primarily electric forklifts and we seek to optimize our electricity, water and fossil fuel use wherever possible. We have also adopted a waste-reducing manufacturing and recyclable packaging to align with ESG standards and consumer demand for sustainability.

Health & Safety

We aim to comply with the health and safety regulations applicable to our operations and have adopted an environmental, health and safety policy that is aimed at complying with legislative requirements, requirements of our licenses, approvals, various certifications and ensuring the safety of our employees and the people working under our management. We have implemented work safety measures to ensure a safe working environment. Such measures include general guidelines for health and safety at our workplace, accident reporting, and maintaining clean and orderly work locations. We run training programs to ensure our installation carpenters and fitters are trained in safety procedures and hazard identification. This initiative not only enhances their skills but also fosters a safe working environment.

We perform regular safety audits, conducted by internal and external experts, to identify potential hazards and ensure compliance. We reinforce emergency preparedness through routine mock fire drills simulating various scenarios. We maintain safety manuals and procedures, readily accessible to all personnel, outlining safe practices and emergency plans.

Awards & Recognition

See, “History and Certain Corporate Matters – Awards, accreditations and recognitions” on page 234.

Insurance

Our principal types of insurance coverage include commercial general liability insurance, boiler and pressure plant insurance, burglary insurance, electronic equipment insurance, fire insurance, machinery breakdown insurance, plate glass insurance, money insurance, marine cargo insurance, directors’ and officers’ insurance and public liability insurance. We also have group personal accident insurance and group health insurance policy which covers employees working for our Company. Our coverage also includes an industrial all risk policy and fidelity guarantee policy.

The table below provides details of our insurance coverage for the period/ years indicated:

Particulars	Three months period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Coverage of insurance policies (₹ million)	7,969.03	7,969.03	8,254.09	7,628.01
Coverage of insurance policies as a percentage of total insurable assets*	296.61%	301.54%	307.55%	265.39%

* Insurable assets include gross property, plant and equipment, inventories.

See, “Risk Factors – We may incur uninsured losses or losses in excess of our insurance coverage which could have an adverse impact on our business, results of operations, financial condition and cash flows.” on page 54.

Properties

Our Registered Office located in P.B No. 3808, Chungom, Alappuzha, Ambalappuzha 688 011, Kerala, India is held by us on a lease basis from a third party which is valid until March 1, 2026, with rollover provision. Our Corporate Office located in 30/6, HSR Layout, vide CMC Khatha No. 268/18/11 Sector 6, Hosur Main Road, Bangalore 560 068, Karnataka, India, is held by us on a lease basis for a period of 6 years from a third party which is valid until February 2028.

As of June 30, 2025, we had 19 warehouses (one mother warehouse and 18 regional depots) and 73 COCO Stores which are leased or sub-leased from third parties.

Also, see “Risk Factors - Our Registered Office, Corporate Office, COCO Stores, warehouses and certain of our manufacturing facilities and warehouses and offices are not located on land owned by us and we have only leasehold rights. In the event we lose or are unable to renew such leasehold rights, our business, results of operations, financial condition and cash flows may be adversely affected.” on page 39.

Competition

The home and furnishings industry has progressed from a fragmented, offline-dominated market to a more organized, technology driven and omnichannel ecosystem. The home and furnishings industry in India is competitive, with a mix of large multinational companies, as well as regional and local companies in each of the product categories that we offer. Some of our key peers include Sheela Foam Limited, Wakefit, Peps Industries, The Sleep Company. (*Source: TKC Report*).

For more information in relation to our peers on certain metrics, see “*Industry Overview - Financial Benchmarking*” on page 180.

See also, “*Risk Factors – The home and furnishings industry is competitive, fragmented and largely unorganised and our inability to compete effectively may adversely affect our business, results of operations, financial condition and cash flows*” on page 41.

KEY REGULATIONS AND POLICIES

The following is an overview of the relevant sector specific laws and regulations in India which are applicable to our business and operations. The information detailed below has been obtained from publications available in the public domain. The description of laws and regulations set out below are not exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substantiate for professional legal advice. The statements below are based on the current provisions of Indian law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions. For details of government approvals obtained by our Company and our Material Subsidiary, Shivaarna Technofoams Private Limited under applicable rules and regulations, see “Government and Other Approvals” beginning on page 400.

Laws related to our Business

Consumer Protection Act, 2019 and the rules made thereunder (“Consumer Protection Act” or “CPA”)

The Consumer Protection Act, which repeals and supersedes the Consumer Protection Act, 1986, has been enacted with the objective of providing more efficient and expedited mechanisms for the redressal of consumer grievances. The Consumer Protection Act is intended, inter alia, to promote and safeguard the interests of consumers in respect of deficiencies or defects associated with goods or services, and to secure the rights of consumers against unfair trade practices that may be adopted by manufacturers, service providers, or traders. Furthermore, the definition of “consumer” under the Consumer Protection Act has been significantly broadened to include individuals engaging in offline as well as online transactions, whether such transactions are conducted through electronic means, tele-shopping, direct selling, or multi-level marketing channels. The definition of e-commerce was included in the CPA and the definitions of consumers and advertisements were broadened (when compared to the erstwhile Consumer Protection Act, 1986) to ensure that consumers engaging in online shopping are afforded the same rights and protections as those purchasing goods or services through traditional channels. The CPA established the Central Consumer Protection Authority to investigate violations of consumer rights, unfair trade practices, and penalize misleading advertisements, strengthening enforcement mechanisms. Further, the legislation and its companion rules (which undergo regular administrative updates) provide for the constitution of consumer dispute redressal forums and commissions for the effective resolution of consumer grievances. In addition to granting compensation and issuing remedial orders, these forums and commissions, in cases involving misleading or false advertisements, possess the authority to impose imprisonment for a term that may extend to two years, and to levy fines which may extend up to ₹1 million.

The Consumer Protection (E-Commerce) Rules, 2020 (“Consumer Protection Rules”)

The Central Government has notified the Consumer Protection Rules, in exercise of the powers vested under the Consumer Protection Act. The Consumer Protection Rules delineate the specific duties and liabilities of e-commerce entities engaged in the marketing and sale of goods and services to consumers via online platforms. The Consumer Protection Rules are applicable to all electronic retailers, incorporated in India or abroad, offering goods and services to Indian consumers. The Rules empower the Central Government to take action against unfair trade practices within the e-commerce sector. E-tailers are mandated to facilitate easy returns, effectively redress customer grievances, and refrain from discriminating against merchants operating on their platforms. The Consumer Protection Rules extend to all goods and services bought or sold through any digital platform, covering all e-commerce models, including marketplace and inventory-based models and all forms of e-commerce retail, encompassing multi-channel single brand retailers as well as single brand retailers operating in single or multiple formats. The Consumer Protection Rules are equally applicable to foreign-registered e-commerce entities offering goods and services to consumers in India.

Furniture (Quality Control) Order, 2025 (“Furniture (Quality Control) Order”)

The Central Government has issued the Furniture (Quality Control) Order pursuant to the powers conferred by the Bureau of Indian Standards Act, 2016. The Furniture (Quality Control) Order is intended to regulate and monitor the quality and safety standards of furniture products manufactured within India. The Furniture (Quality Control) Order was notified on February 13, 2025, and shall come into force with effect from February 13, 2026. Under the terms of the Furniture (Quality Control) Order, furniture manufacturers are required to ensure compliance with the Bureau of Indian Standards (“BIS”) and mandatorily secure the appropriate certifications for the sale of specified furniture products, which include work chairs, general purpose chairs and stools, tables and desks, storage units, beds, and bunk beds. The BIS, functioning under the aegis of the Ministry of Commerce and Industry, is vested with the authority to certify certain designated furniture products currently produced and sold by entities in India. Any failure to adhere to these regulatory requirements may result in the imposition of penalties and curtailment of sales.

Draft E-Commerce Policy, 2019 (“2019 Draft Policy”)

In March 2019, the Department for Promotion of Industry and Internal Trade (“DPIIT”) had solicited comments from stakeholders and the general public with respect to the 2019 Draft Policy. Among other aspects, the 2019 Draft Policy proposed the introduction of measures to regulate cross-border data flows, create a level playing field for both domestic and foreign e-

commerce entities, promote the sale of domestic products through e-commerce platforms, and more broadly, provide for the regulation of e-commerce activities within India. At present, DPIIT is in the process of preparing a revised draft of the policy.

The Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022 (“Advertisement Guidelines”)

The Advertisement Guidelines provide for the prevention of false or misleading advertisements and making endorsements relating thereto. The Advertisement Guidelines apply inter alia to a manufacturer and to all advertisements regardless of form, format or medium. The Advertisement Guidelines lay down the conditions for non-misleading and valid advertisement and prohibit surrogate or indirect advertisements of goods or services. Further the Advertisement Guidelines lay down duties of inter alia a manufacturer and provide inter alia that every manufacturer shall ensure that all descriptions, claims and comparisons in an advertisement which relate to matters of objectively ascertainable facts shall be capable of substantiation. The Advertisement Guidelines further provide that any endorsement in an advertisement must reflect the genuine, reasonably current opinion of the individual, group or organization making such representation and must be based on adequate information about, or experience with, the identified goods, product or service and must not otherwise be deceptive.

Legal Metrology Act, 2009 (“LM Act”) and the Legal Metrology (Packaged Commodities) Rules, 2011 (“Packaged Commodity Rules”)

The LM Act establishes and enforces standards for weights and measures, as well as regulates trade and commerce involving goods that are sold by weight, measure, or number. The LM Act encompasses the requirements related to the labelling and packaging of commodities, mandates verification of weights and measures, and prescribes penalties for non-compliance. Under the LM Act, the Controller of the Legal Metrology Department is authorized to grant licenses, and manufacturers dealing with weighing and measuring instruments are required to obtain a license from the relevant state department. Violations of the LM Act may result in monetary penalties, seizure of goods, or imprisonment. The Packaged Commodity Rules framed pursuant to the LM Act, regulate the pre-packaging and sale of packaged commodities. These rules detail the mandatory declarations to be made on packages, including the name and address of the manufacturer, as well as the commodity’s dimensions, and its weight or measure. Amendments to the Packaged Commodity Rules introduced in 2017 enhanced consumer protection by eliminating the dual maximum retail price system, improving the visibility of retail prices, and expressly bringing e-commerce transactions within the purview of these rules. The Legal Metrology (Packaged Commodities) (Amendment) Rules, 2023, further strengthen the LM Act by introducing stricter packaging and labelling requirements, enhancing consumer protection measures, and updating compliance obligations for both manufacturers and e-commerce platforms.

The Sale of Goods Act, 1930 (“Sale of Goods Act”)

The Sale of Goods Act governs contracts pertaining to the sale of goods. Such contracts are also subject to the overarching principles of contract law as set out in the Indian Contract Act, 1872. However, contracts for the sale of goods exhibit certain distinct features, such as, including the transfer of ownership, delivery of goods, the rights and obligations of the buyer and seller, remedies available for breach of contract, and the conditions and warranties implied in a contract for the sale of goods, etc., which are specifically addressed under the provisions of the Sale of Goods Act.

The Bureau of Indian Standards Act, 2016 (“BIS Act”)

The BIS Act establishes the BIS as the national body responsible for the harmonious development of standardisation, conformity assessment, and quality assurance activities in relation to goods, articles, processes, systems, and services, as well as matters connected therewith or incidental thereto. Under the BIS Act, the functions of BIS include, among other things: (a) recognising as an Indian standard any standard established for any article or process by any institution in India or abroad; (b) specifying a standard mark, the design and particulars of which may be prescribed, to indicate compliance with a particular Indian standard; (c) undertaking the testing of samples for purposes other than conformity assessment; and (d) engaging in activities related to legal metrology. Furthermore, the BIS Act empowers the Central Government, in consultation with BIS, to mandate the compulsory use of the standard mark for any goods or articles pertaining to any scheduled industry.

The Petroleum Act, 1934 (the “Petroleum Act”) and Petroleum Rules, 2002 (the “Petroleum Rules”)

The Petroleum Act regulates the import, transport, production, refining, storage and blending of petroleum. Further, it empowers the Government to prescribe standards for pipelines, testing apparatus and storage receptacles for petroleum, and to inspect, make entry, search and certify grades of petroleum involved in a particular establishment. The Petroleum Rules require every person importing, transferring, or storing petroleum of particular grades to do so only in accordance with a license granted under the Petroleum Rules. Every person desiring to obtain a license to import and store petroleum is required to submit to the licensing authority an application for registration in the prescribed format within the specified time limit. On application for renewal, a license may be renewed provided that a license which has been granted by the chief controller may be renewed without alteration, by a controller duly authorized by the chief controller.

Data Protection Regulations

The Information Technology Act, 2000 (“IT Act”) and the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“IT Security Rules”)

The IT Act is intended to accord legal recognition to transactions conducted through various modes of electronic data interchange and electronic communications, thereby facilitating the electronic filing of documents, including those containing sensitive personal data such as medical records and history. The IT Act establishes a robust framework for the authentication of electronic documents through the use of digital signatures. By recognizing contracts formed electronically, the IT Act streamlines electronic commerce, provides protection to intermediaries from third-party liability for information hosted on their platforms, and imposes liability for failures to adequately safeguard sensitive personal data.

The IT Security Rules set out requirements for the disclosure, collection, and transfer of sensitive personal data by a body corporate, or any person acting on its behalf. The IT Security Rules stipulate that every such body corporate, or person handling personal information on its behalf, must adopt and make publicly available a privacy policy outlining the handling and processing of personal information, including sensitive personal data, and must publish such policy on its website. Additionally, the IT Security Rules require that all personal data be processed exclusively for the purpose for which it was collected, and that any disclosure of personal information to third parties is subject to the prior consent of the information provider, unless such disclosure is contractually agreed upon by the parties or is otherwise required by law.

The Digital Personal Data Protection Act, 2023 (“DPDP Act”) and the Draft Digital Personal Data Protection Rules, 2025 (“Draft DPDP Rules”) (together, “DPDP Framework”)

The Government enacted the DPDP Act in 2023, although its provisions are yet to be brought into force. Additionally, on January 3, 2025, the Government released the Draft DPDP Rules to operationalise certain aspects of the DPDP Act. The DPDP Framework classifies entities that determine the purposes and means of processing personal data as “data fiduciaries” and imposes various obligations upon them. These include requirements to obtain consent and provide notice in the prescribed manner, ensure the completeness, accuracy, and consistency of personal data, notify relevant authorities in the event of personal data breaches, and implement appropriate technical safeguards and reasonable security measures.

Beyond these general obligations, the DPDP Framework prescribes enhanced compliance requirements for “significant data fiduciaries” (“SDFs”), a classification to be notified by the central government based on criteria such as the volume and sensitivity of personal data processed, the risk posed to the rights of data principals, the potential impact on the sovereignty and integrity of India, the risk to electoral democracy, security of the State, and public order. Obligations applicable to SDFs include appointing a data protection officer, appointing an independent data auditor, conducting data protection impact assessments, and undergoing periodic audits. Entities that process personal data on behalf of others are categorised as “data processors” under the DPDP framework. While the DPDP Framework does not impose direct statutory obligations on data processors, data fiduciaries are permitted to contractually impose relevant obligations on their data processors.

Once the DPDP Framework comes into effect, we will be required to be in compliance with these requirements to the extent applicable.

Key Environmental Legislations

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, as amended by the Hazardous and Other Wastes (Management and Transboundary Movement) Amendment Rules, 2022 (“Hazardous Waste Rules”)

The Hazardous Waste Rules govern the management, treatment, storage, and disposal of hazardous waste, mandating that every occupier and operator of a facility generating such waste must ensure its disposal in a manner that does not harm the environment. The Hazardous Waste Rules provide a comprehensive list of hazardous wastes and the processes that result in their generation. It is incumbent upon relevant entities to obtain the necessary authorizations from the concerned State Pollution Control Board for various activities involving hazardous waste, including its generation, processing, treatment, packaging, storage, transportation, use, collection, destruction, or transfer.

Public Liability Insurance Act, 1991 (“Public Liability Insurance Act”) and the rules made thereunder

The Public Liability Insurance Act and the Public Liability Insurance Rules, 1991 (“**Public Liability Insurance Rules**”), as amended in 2024, collectively establish a framework of strict liability for owners or controllers of hazardous substances in the event of any damage arising from accidents involving such substances. The amendments made to the Public Liability Insurance Rules in 2024 significantly enhanced the claims and compensation process for environmental harm resulting from industrial accidents. Pursuant to these legislative provisions, the government has notified a comprehensive list of hazardous substances subject to these regulations. The Public Liability Insurance Act obligates every owner or handler of hazardous substances to procure an insurance policy covering their liability in respect of potential accidents. In addition, under the amended Public Liability Insurance Rules, employers are required to contribute to the Environmental Relief Fund an amount equivalent to the

premium paid on such insurance policies. This mandatory insurance mechanism, together with the statutory contribution to the Environmental Relief Fund, is designed to ensure prompt and effective relief to victims of industrial accidents involving hazardous substances and to address environmental damage resulting therefrom.

Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”) and Air (Prevention and Control of Pollution) Rules, 1982 (“Air Rules”)

The Air Act was enacted with the objective of preventing, controlling, and abating air pollution in India. As a specialized piece of environmental legislation, the Air Act is intended to ensure the preservation of the earth’s natural resources, including the maintenance of air quality and the control of air pollution. Pursuant to the Air Act, any individual, industry, or institution that emits smoke or gases, whether due to the use of fuel or chemical reactions, is required to apply in the prescribed form and obtain prior consent from the relevant Pollution Control Board (“PCB”) before commencing any such activity. The PCB is obligated to grant or refuse consent within four months of receiving the application. Any consent granted may be subject to specific conditions, including requirements for the installation of designated pollution control equipment, with the aim of minimizing emissions and preserving air quality.

Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”) and Water (Prevention and Control of Pollution) Board, 1975 (“Water Rules”)

The Water Act was enacted to control and prevent water pollution and to maintain or restore the wholesomeness of water in India. The primary objective of this legislation is to ensure that domestic and industrial pollutants are not discharged into streams and wells without undergoing adequate treatment. Compliance with the Water Act requires obtaining the requisite consents from authorities. The Water (Prevention and Control of Pollution) Amendment Act, 2024 (the “**Amendment Act**”) introduced significant revisions to the Water Act. Notably, the Amendment Act decriminalises minor offences related to water pollution, providing for the imposition of penalties in lieu of imprisonment for technical or procedural lapses. The Amendment Act further empowers the central government to exempt certain categories of industrial plants from specified statutory restrictions, thereby streamlining regulatory processes. In addition, the Amendment Act enhances regulatory oversight and promotes standardisation across states by granting the central government the authority to prescribe guidelines for the appointment of chairpersons of State Pollution Control Boards and to issue directives concerning industry-related consent procedures.

Plastic Waste Management Rules, 2022 (“Plastic Waste Management Rules”)

Under the Plastic Waste Management Rules, producers, importers, and brand owners (“**PIBOs**”) are obligated to collect and sustainably manage plastic packaging waste in accordance with the principles of Extended Producer Responsibility (“**EPR**”). The Plastic Waste Management Rules also prohibit specified single-use plastic items, mandate an increase in the minimum thickness of plastic carry bags to 120 microns, and require PIBOs to register with the relevant pollution control boards and ensure full compliance with EPR guidelines. Monitoring and enforcement of these obligations are facilitated through dedicated online platforms and regular inspection drives.

Environment (Protection) Act, 1986 (the “EP Act”) and the Environment (Protection) Rules, 1986 (the “EP Rules”) read with the Environmental Impact Assessment Notification, 2006 (“EIA Notification”)

The EP Act has been enacted with the objective of protection and improvement of the environment and for matters connected therewith. As per the EP Act, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent, control and abate environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EP Act, including the power to direct the closure, prohibition or regulation of any industry, operation, or process or stoppage or regulation of the supply of electricity or water or any other service.

The EP Rules prescribes the standards for emission or discharge of environmental pollutants from industries, operations, or processes, prohibitions and restrictions on the location of industries as well as prohibitions and restrictions on the handling of hazardous substances in different areas for the purpose of protecting and improving the quality of the environment and preventing and abating environmental pollution. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the spatial extent of potential impacts on human health and resources.

E-Waste Management Rules, 2022 (“E-Waste Rules”)

The E-Waste Rules regulate the management, handling and disposal of electrical and electronic waste in India, with the aim of reducing environmental and health hazards associated with e-waste. The E-Waste Rules apply to a manufacturer, producer, refurbisher, dismantler and recycler involved in the manufacture, sale, transfer, purchase, refurbishing, dismantling, recycling and processing of e-waste or electrical and electronic equipment specified in the E-Waste Rules, who are required to be registered on an online portal developed by the central pollution control board. The E-Waste Rules set out, amongst others, the responsibilities of a manufacturer, producer, refurbisher or recycler, the procedure for storage of e-waste and the management

of solar photo-voltaic modules, panels or cells. Entities governed by the E-Waste Rules are required to register themselves on an online portal operated by the Central Pollution Control Board. The E-Waste Rules outline clear responsibilities for each category of stakeholder, mandating environmentally sound management practices, maintenance of records, and filing of periodic returns. Non-compliance with any provisions of the E-Waste Rules may result in the imposition of penalties and the suspension or cancellation of registration by the relevant authorities.

Labour Laws

Factories Act, 1948 as amended (“Factories Act”)

The Factories Act defines a ‘factory’ as any premises where ten or more workers are employed or have been employed on any day in the preceding twelve months, and where a manufacturing process is ordinarily carried on with the aid of power or is usually so carried on. Alternatively, the Factories Act applies to premises where twenty or more workers are employed or have been employed on any day in the preceding twelve months, and where a manufacturing process is ordinarily carried on without the aid of power or is commonly so conducted. State governments are authorized to formulate rules requiring the registration or licensing of factories or certain categories of factories. Under the Factories Act, the occupier of a factory is obliged, so far as is reasonably practicable, to ensure the health, safety, and welfare of all workers while they are at work in the factory. This includes ensuring that: (i) all plant and systems of work are safe and without risks to health; (ii) the use, handling, storage, and transport of articles and substances are conducted safely and without risks to health; (iii) adequate information, instruction, training, and supervision are provided to ensure the health and safety of all workers; and (iv) safe working conditions and a secure working environment are maintained. Both the occupier and the manager of a factory may be subject to imprisonment or fines in the event of non-compliance with the provisions of the Factories Act.

Contract Labour (Regulation and Abolition) Act, 1970 (“CLRA”)

The CLRA governs the employment of contract labour in specified establishments. Under the CLRA, the appropriate Government, following consultation with the relevant Central or State Advisory Boards constituted under the CLRA, is empowered to prohibit the employment of contract labour in any process, operation, or other type of work within an establishment.

Shops and establishments legislations

Under the provisions of local shops and establishments legislations applicable in the states in India where our establishments are set up and business operations exist; such establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of records, maintenance of shops and establishments and other rights and obligations of the employers and employees. The local shops and establishments legislations, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The various other labour and employment-related legislations (and rules issued thereunder) that may apply to our operations, from the perspective of protecting the workers’ rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the following:

- Employee’s Compensation Act, 1923;
- Employees’ Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees’ State Insurance Act, 1948;
- Maternity Benefit Act, 1961;
- Minimum Wages Act, 1948;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972;
- Payment of Wages Act, 1936;
- The Industrial Disputes Act, 1947;
- The Equal Remuneration Act, 1976;
- The Industrial Employment (Standing Orders) Act, 1946;

- The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986;
- The Apprentices Act, 1961;
- The Labour Welfare Fund Act, 1965;
- Rights of Persons with Disabilities Act, 2016;
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- The Trade Unions Act, 1926; and
- Employment Exchange (Compulsory Notification of Vacancies) Act, 1959.

In an effort to rationalize and modernize the framework of labour laws in India, the Government of India has introduced four comprehensive labour codes:

- (a) The Occupational Safety, Health and Working Conditions Code, 2020, which received presidential assent on September 28, 2020, aims to consolidate and replace various existing statutes, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Motor Transport Workers Act, 1961, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979. This Code is designed to establish comprehensive standards for the health, safety, and working conditions of employees in different establishments and will become effective on a date to be notified by the Central Government.
- (b) The Industrial Relations Code, 2020, which also received presidential assent on September 28, 2020, aims to consolidate three key pieces of legislation, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926, and the Industrial Employment (Standing Orders) Act, 1946. This Code will likewise come into force on a date to be specified by the Central Government.
- (c) The Code on Wages, 2019, received the President's assent on August 8, 2019. Certain provisions have been brought into effect through a notification dated December 18, 2020, while the remaining provisions will be enforced on a future date as notified by the Government of India. This Code seeks to consolidate four separate statutes: the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976.
- (d) The Code on Social Security, 2020, which received presidential assent on September 28, 2020, brought Section 142 into force through a notification dated April 30, 2021. The remainder of the Code's provisions will be implemented on a date to be notified by the Government of India. This Code proposes to subsume multiple legislations, including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, and the Payment of Gratuity Act, 1972.

Intellectual Property Laws

Trademarks Act, 1999 ("Trade Marks Act")

The Trade Marks Act provides for the registration and better protection of trade marks for goods and services and for the prevention of the use of fraudulent marks. The registration of a trademark under the Trade Marks Act confers on the proprietor the exclusive right to the use of the trade mark, and the right to obtain relief in respect of infringement of the trade mark. The registration of a trademark shall be for a period of ten years, but may be renewed from time to time as prescribed under the Trade Marks Act. The Trade Marks Act also prescribes penalties for the falsification or false application of trademarks.

Patents Act, 1970 ("Patents Act")

The Patents Act governs the framework for patent protection in India. As a signatory to the Agreement on Trade-Related Aspects of Intellectual Property Rights ("TRIPS"), India is obligated to recognize both product and process patents. In addition to the fundamental requirements of novelty, utility, and non-obviousness for an invention to qualify for patent protection, the Patents Act specifies certain categories of inventions and materials that are ineligible for patent protection, even if they meet these criteria. Section 39 of the Patents Act prohibits any person resident in India from filing a patent application for an invention outside India without first filing a corresponding application for the same invention within India. Pursuant to Section 53 of the Patents Act, the term of a granted patent is twenty years, calculated from the filing date of the patent application. A patent will

lapse if the prescribed renewal fees are not paid within the stipulated period. Additionally, the Patents Act provides for the recognition of product patents in respect of food, medicine, and drugs. It also stipulates that the importation of patented products shall not constitute patent infringement. Moreover, under specific circumstances, the burden of proof in proceedings concerning the infringement of process patents may be shifted to the alleged infringer.

Taxation Laws

The Goods and Services Tax (“**GST**”) is imposed on the supply of goods or services, or both, by the Central Government and the respective State Governments. GST mandates the levy of tax on the supply of goods or services, with the Central and State Governments, including Union Territories, taxing intra-state supplies, while the Central Government is responsible for levying GST on inter-state supplies of goods or services. This taxation framework is enforced through several statutes, namely, the Central Goods and Services Tax Act, 2017 (“**CGST**”), the corresponding State Goods and Services Tax Acts, 2017 (“**SGST**”), the Union Territory Goods and Services Tax Act, 2017 (“**UTGST**”), the Integrated Goods and Services Tax Act, 2017 (“**IGST**”), the Goods and Services Tax (Compensation to States) Act, 2017, and the various rules made under these Acts.

Additionally, the Income Tax Act, 1961 (“**Income Tax Act**”) applies to every company, whether domestic or foreign, whose income is taxable under its provisions or the relevant rules, depending on its ‘residential status’ and type of income involved. The Income Tax Act stipulates that residents are taxed on global income, whereas non-residents are taxed on income received, accruing, or arising in India, or deemed to have been received, accrued, or arisen in India. Every company subject to taxation under the Income Tax Act is required to comply with its provisions, including those relating to tax deduction at source, advance tax, and minimum alternative tax. In 2019, the Government enacted the Taxation Laws (Amendment) Act, 2019, which amended the Income Tax Act to offer concessional tax rates to certain domestic companies and newly incorporated manufacturing companies. The Ministry of Finance, Government of India has introduced the Income Tax Bill, 2025 (“**Income Tax Bill**”) in February 2025 with the aim to replace the Income Tax Act. The Income Tax Bill seeks to simplify Income Tax Act, reduce litigation, and enhance clarity for taxpayers. The Income Tax Bill is currently under review and if approved by the Indian Parliament, is proposed to come into effect from April 1, 2026.

Further, various state-wise legislations in relation to professional tax are applicable to entities who employ designated categories of salaried persons, which inter alia, require the employers to obtain registration certificates under relevant state legislations, pay taxes as deducted from the professional fees of employees and file returns.

Foreign Investment and Trade Regulations

Foreign Investment Regulations

Foreign investment in India is regulated by the provisions of the Foreign Exchange Management Act, 1999, as amended, (“**FEMA**”) together with the FEMA (Non-debt Instruments) Rules, 2019 (“**FEMA NDI Rules**”) and other rules, regulations, and notifications issued thereunder by the Reserve Bank of India, as well as the Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade (“**DPIIT**”), effective from October 15, 2020, and any subsequent modifications or replacements thereof (the “**Consolidated FDI Policy**”). Under the FEMA NDI Rules and the Consolidated FDI Policy, up to 100% foreign investment is currently permitted in companies engaged in manufacturing activities in India, including contract manufacturing.

Additionally, in terms of the FEMA NDI Rules, the total holding by each FPI, or an investor group shall be below 10% of the total paid-up equity share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). Further, the RBI has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 which regulate the mode of payment and reporting requirements for investments in India by a person resident outside India.

Foreign Trade (Development and Regulation) Act, 1992 and the rules framed thereunder (“FTA”)

The FTA serves as the principal legislation governing foreign trade in India. The FTA, when read together with the Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and enhancing exports from, India, as well as addressing matters incidental thereto. The FTA empowers the government to formulate and publish the foreign trade policy and to amend it as necessary. It also grants the government broad authority to prohibit, restrict, or regulate exports and imports, whether in general or in specific instances of foreign trade.

Pursuant to the FTA and the Foreign Trade Policy, 2023, no person is permitted to undertake any import or export activity without obtaining an importer-exporter code (“**IEC**”) issued by the Director General of Foreign Trade. Consequently, every entity in India engaged in import or export activities must obtain a valid IEC, unless specifically exempted. The IEC remains valid until it is superseded or cancelled by the issuing authority and is applicable to all branches, divisions, units, and factories of the holder. Failure to obtain an IEC may result in penalties under the FTA.

Customs Act, 1962 (“Customs Act”)

The Customs Act confers upon the Central Government the authority to prohibit the export or import of goods on various grounds, including the maintenance of public order, the security of India, the prevention of smuggling, and the averting of shortages of essential commodities. In addition, the Customs Act regulates the identification of illegally imported or exported goods, the valuation of such goods, the determination of applicable duties and tariffs, and the provision for refunds of export or import duties in specified circumstances. The Customs Act also stipulates the imposition of penalties or the confiscation of goods in cases such as improper export activities and authorizes customs officers to arrest any individual who commits an offence punishable under its provisions.

Competition Act, 2002 (“Competition Act”) as amended by the Competition (Amendment) Act, 2023 (“Competition Act Amendment”)

The Competition Act is a legislation enacted to prevent practices that have an adverse effect on competition, to promote and sustain competitive markets, to protect consumer interests, and to ensure the freedom of trade in India. The Competition Act specifically addresses the prohibition of (i) certain agreements, such as anti-competitive agreements, and (ii) the abuse of dominant position, as well as the regulation of combinations. No enterprise or group is permitted to abuse its dominant position in any of the circumstances specified under the Competition Act.

The primary responsibility of the Competition Commission of India (“**Commission**”) is to identify and eliminate practices that negatively impact competition, promote and maintain competition, safeguard the interests of consumers, and uphold the freedom of trade in India. Where the Commission is of the opinion that a combination may have an appreciable adverse effect on competition, it is empowered to issue a show cause notice to the parties, requiring them to respond within thirty days.

The Competition Act Amendment introduces a deal value threshold of ₹20,000 million for the mandatory reporting of merger and acquisition transactions to the Commission and reduce the time limit for the Commission’s review of such transactions from 210 days to 150 days. The scope of anti-competitive agreements has been expanded by substituting “exclusive supply agreement” with “exclusive dealing agreement,” thereby covering both the acquisition and sale sides of such arrangements. The definition of “cartel” has been broadened to expressly encompass hub-and-spoke arrangements involving trade associations, consultants, or intermediaries.

Additionally, the Competition Act Amendment vests the Commission with the authority to appoint a director general to enhance enforcement efforts, subject to prior approval from the Central Government.

Other Indian Laws

In addition to the above, our operations are subject to the provisions of the Companies Act and the rules promulgated thereunder, as well as fire safety laws and associated regulations. We are also governed by the Arbitration and Conciliation Act, 1996, the Indian Contract Act, 1872, the Micro, Small and Medium Enterprises Development Act, 2006, and other applicable laws and regulations imposed by the Central and State Governments, as well as relevant authorities, in connection with our day-to-day business activities.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our Company was initially incorporated as ‘Duroflex Coir Industries Private Limited’ as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated November 9, 1981, issued by the Registrar of Companies at Kerala (“RoC at Kerala”). Our Company was subsequently converted into a public limited company, pursuant to a resolution passed by our Board on November 17, 1995, and a special resolution passed by our Shareholders on December 11, 1995, resulting in the change of our Company’s name to ‘Duroflex Coir Industries Limited’. A fresh certificate of incorporation dated December 11, 1995, reflecting this change was issued by the RoC at Kerala. Subsequently, the name of our Company was changed from ‘Duroflex Coir Industries Limited’ to ‘Duroflex Limited’ pursuant to a resolution passed by our Board on November 17, 1995, and a special resolution passed by our Shareholders on December 11, 1995. A fresh certificate of incorporation dated March 8, 1996, was accordingly issued by the RoC at Kerala. Thereafter, our Company was re-converted to a private limited company, pursuant to a resolution passed by our Board on September 1, 2001, and a special resolution passed by our Shareholders on September 29, 2001, which resulted in the name change to ‘Duroflex Private Limited’. The RoC at Kerala issued a fresh certificate of incorporation dated July 29, 2003.

Subsequently, our Company was once again converted into a public limited company, pursuant to a resolution dated September 9, 2025, passed by our Board and a special resolution passed by our Shareholders on September 9, 2025, with the name changed to ‘Duroflex Limited’. The RoC CPC, issued a fresh certificate of incorporation dated September 17, 2025, reflecting this conversion and name change.

Changes in the Registered Office

The Registered Office of our Company is currently situated at P. B. No. 3808, Chungom, Alappuzha, Ambalappuzha 688 011 Kerala, India, Kerala, India. There has been no change in the Registered Office of our Company since its incorporation.

Main objects of our Company

The main objects contained in our MoA are as follows:

“To manufacture and deal in rubberized coir, rubberized coir mattresses and all other varieties of mattresses.

- A(1) To carry on the business of manufacturers, traders, exporters, importers, retailers, wholesalers, distributors, brokers, commission agents, of all type of sleep products including coir mattresses, coir foam mattresses, rubberised coir foam mattresses, artificial rubber foam mattresses, latex mattresses, pillows, bed spreads, comforters, in India and abroad through offline and online mode of sales and distribution.*
- A(2) To carry on the business of manufacturers, traders, exporters, importers, retailers, wholesalers, distributors, brokers, commission agents, of tapestry materials, polyurethane foam sheets, foam rubber sheets, synthetic resins, elastomers, latex, chemicals, and other such materials / articles, as is used in the manufacturing and production process of mattresses and other sleep products of the company, in India and Abroad through offline and online mode of sales and distribution.*
- A(3) To carry on the business of generating electricity through Hydro Electric Power Projects / Thermal Power Projects / Wind Mill Farms or any other conventional or non-conventional method for captive consumption and/or for sale.*
- A(4) To carry on the business of manufacturers, traders, exporters, importers, retailers, wholesalers, distributors, brokers, commission agents, of all kinds of consumer, industrial, agricultural, durable and non-durable products.*
- A(5) To carry on the business of manufacturers, producers, traders, exporters, importers, retailers, wholesalers, distributors, brokers, commission agents, of all kind of wooden products, plastic products, other types of boards namely plywood, plywood substitutes, laminates and composites, including cots, tables, chairs, household furnitures, sofa, chair, bed, deal in commercial, indoor and outdoor furniture and merchandise.*
- A(6) To carry on the business of providing solutions and services related to Web-Technologies, Internet and E-commerce, including to design, develop, maintain, operate, own, establish, install, host, provide, create, facilitate, supply, sale, purchase, licence or otherwise deal in Internet portals, Internet networks, Media Portals, Internet solutions, Internet gateways, Internet service providers, E-commerce, Web-site designing, Web based and Web enabled services and applications, E-commerce service provider, E-commerce solutions, E-commerce platforms, E-commerce education, E-commerce technologies and E-business solutions.*
- A(7) To develop expertise and impart education, training, consultancy in the fields of information technology.*

- A(8) *To identify and acquire/invest in Companies and enterprises including forming joint venture and act as a Holding company in businesses holding prospects of growth including investing in Companies dealing in ISP Business, WEB portal business, IT server farms and hosting business, digital service provider business, IT software development business, multimedia software development business and any other business activity in the areas of information technology.*
- A(9) *To carry on the business of marketing, promoting, advertising franchising or dealing in any of the above activities both in internal and external markets, on digital media or any other online or digital means, on its own or through any sort or nature and to appoint sub-franchisers, agents for any of the above purposes, in India or elsewhere and marketing through online marketing, digital marketing in various sites.*
- A(10) *To carry on the business as importer, exporter, buyers, lessors, and sellers of and dealers in all types of electronic components and equipment necessary for attaining the above objects.*
- A(11) *To carry on the business as plantation owners, dealers, exporters and importers in plantation products, hill produce and spices.*
- A(12) *To purchase or acquire lands for the purposes of development of the same in accordance with all applicable laws, and to deal with, sell, give on lease or otherwise part with, in any other lawful manner, any development, the buildings and/or other structures on such land, and to carry on the business of developing, maintaining, operating any infrastructure facility such as warehousing and logistics including supply chain logistics, commercial building, factory housing projects, residential apartments villas, road, bridge or any other public facility of similar nature.”*

The main objects as contained in our MoA enable our Company to carry on the business presently being carried out and proposed to be carried out.

Amendments to our MoA in the last 10 years

The amendments to our MoA in the last 10 years are set out below:

Date of Shareholders' resolution	Details of the amendments
April 28, 2017	Clause IIIA of the MoA was altered to reflect the deletion of Clause III C, and its contents were incorporated into the Clause IIIA, as new sub-clauses A(5) to A(9), in the following manner: <i>“A(5) To carry on business as drapers, upholsterers, furnishers, decorators, general contractors, merchants and dealers in furnishing and decorating materials;</i> <i>A(6) To manufacture and deal in coir, coir products and coir machinery of very description;</i> <i>A(7) To manufacture and deal in rubber, rubber goods and rubber machinery;</i> <i>A(8) To manufacture and deal in glass, fibre, plastics, and polyurethane goods and products, synthetic resins and allied chemicals; and</i> <i>A(9) To carry on the business as plantation owners, dealers, exporters and importers in plantation products, hill produce and spices.”</i> Additionally, references to the “Companies Act, 1956” were updated to “Companies Act, 2013”.
September 3, 2019	Clause IIIA of the MoA was altered by inserting a new clause as follows: <i>“A(10) To purchase or acquire lands for the purposes of development of the same in accordance with all applicable laws, and to deal with, sell, give on lease or otherwise part with, in any other lawful manner, any development, the buildings and/or other structures on such land, and to carry on the business of developing, maintaining, operating any infrastructure facility such as warehousing and logistics including supply chain logistics, commercial building, factory housing projects, residential apartments villas, road, bridge or any other public facility of similar nature”</i>
March 9, 2020	Pursuant to an order dated July 17, 2020 by the regional director, sanctioning a scheme of amalgamation between Duroflex Exports Private Limited with Duroflex Private Limited, Clause V of the MoA was amended to reflect the increase in the authorized share capital of our Company from ₹100,000,000 consisting of 9,990,000 equity shares of face value ₹ 10 each and 1,000 12%

Date of Shareholders' resolution	Details of the amendments
	cumulative preference shares of ₹100 each to ₹110,000,000 consisting of 10,990,000 equity shares of face value ₹ 10 each, and 1,000, 12% cumulative preference shares of ₹100 each.
October 23, 2020	The Clause IIIA of the MoA was amended and replaced with the following: To manufacture and deal in rubberized coir, rubberized coir mattresses and all other varieties of mattresses. <i>“A(1) To carry on the business of manufacturers, traders, exporters, importers, retailers, wholesalers, distributors, brokers, commission agents, of all type of sleep products including coir mattresses, coir foam mattresses, rubberised coir foam mattresses, artificial rubber foam mattresses, latex mattresses, pillows, bedspreads, comforters, in India and abroad through offline and online mode of sales and distribution.</i> <i>A(2) To carry on the business of manufacturers, traders, exporters, importers, retailers, wholesalers, distributors, brokers, commission agents, of tapestry materials, polyurethane foam sheets, foam rubber sheets, synthetic resins, elastomers, latex, chemicals, and other such materials / articles, as is used in the manufacturing and production process of mattresses and others sleep products of the company, in India and Abroad through offline and online mode of sales and distribution.</i> <i>A(3) To carry on the business of generating electricity through Hydro Electric Power Projects / Thermal Power Projects / Wind Mill Farms or any other conventional or non-conventional method for captive consumption and/or for sale.</i> <i>A(4) To carry on the business of manufacturers, traders, exporters, importers, retailers, wholesalers, distributors, brokers, commission agents, of all kinds of consumer, industrial, agricultural, durable and non-durable products</i> <i>A(5) To carry on the business of manufacturers, producers, traders, exporters, importers, retailers, wholesalers, distributors, brokers, commission agents, of all kind of wooden products, plastic products, other types of boards namely plywood, plywood substitutes, laminates and composites, including cots, tables, chairs, household furniture, sofa, chair, bed, deal in commercial, indoor and outdoor furniture and merchandise.</i> <i>A(6) To carry on the business of providing solutions and services related to Web-Technologies, Internet and E-commerce, including to design, develop, maintain, operate, own, establish, install, host, provide, create, facilitate, supply, sale, purchase, licence or otherwise deal in Internet portals, Internet networks, Media Portals, Internet solutions, Internet gateways, Internet service providers, E-commerce, Web-site designing, Web based and Web enabled services and applications, E-commerce service provider, E-commerce solutions, E-commerce platforms, E-commerce education, E-commerce technologies and E-business solutions,</i> <i>A(7) To develop expertise and impart education, training, consultancy in the fields of information technology.</i> <i>A(8) To identify and acquire/invest in Companies and enterprises including forming joint venture and act as a Holding company in businesses holding prospects of growth including investing in Companies dealing in ISP Business, WEB portal business, IT server farms and hosting business, digital service provider business, IT software development business, multimedia software development business and any other business activity in the areas of information technology.</i> <i>A(9) To carry on the business of marketing, promoting, advertising franchising or dealing in any of the above activities both in internal and external markets, on digital media or any other online or digital means, on its own or through any sort or nature and to appoint sub-franchisers, agents for any of the above purposes, in India or elsewhere and marketing through online marketing, digital marketing in various sites.</i> <i>A(10) To carry on the business as importer, exporter, buyers, lessors, and sellers of and dealers in all types of electronic components and equipment necessary for attaining the above objects</i>

Date of Shareholders' resolution	Details of the amendments
	<i>A(11) To carry on the business as plantation owners, dealers, exporters and importers in plantation products, hill produce and spices.</i> <i>A(12) To purchase or acquire lands for the purposes of development of the same in accordance with all applicable laws, and to deal with, sell, give on lease or otherwise part with, in any other lawful manner, any development, the buildings and/or other structures on such land, and to carry on the business of developing, maintaining, operating any infrastructure facility such as warehousing and logistics including supply chain logistics, commercial building, factory housing projects, residential apartments villas, road, bridge or any other public facility of similar nature.”</i>
February 9, 2024	Pursuant to an order dated March 26, 2024 by the Regional Director, Southern Region, Ministry of Corporate Affairs, sanctioning a scheme of amalgamation between Palmspring Mattresses Private Limited with our Company, Clause V of the MoA was amended to reflect the increase in the authorized share capital of our Company from ₹110,000,000 consisting of 10,990,000 equity shares of face value ₹ 10 each and 1,000 12% cumulative Preference shares of ₹ 100 each to ₹112,000,000 consisting of 11,190,000 equity shares of face value ₹ 10 each and 1,000, 12% cumulative Preference shares of ₹ 100 each.
October 23, 2024	Clause V of the MoA was amended to reflect the sub-division of the authorized equity share capital from 11,190,000 equity shares of face value ₹10 each and 12% cumulative preference shares of ₹100 each to 111,900,000 equity shares of face value ₹1 each and 12% cumulative preference shares of ₹100 each.
September 9, 2025	Clause I of the MoA was amended to reflect the change in the name of our Company from ‘Duroflex Private Limited’ to ‘Duroflex Limited’ pursuant to the conversion of our Company into a public limited company.

Major events and milestones of our Company

The table below sets forth the major events and milestones in the history of our Company:

Calendar Year	Particulars
1981	Our Company was incorporated
1999	Our Company started production of mattresses
2018	Our Company trademarked the brand ‘Sleepyhead’
2018	Our Company received its first private equity investment from Lighthouse India Fund III, Limited
2020	Our Company acquired Shivaarna Technofoams Private Limited
2021	Our Company received private equity investment from Norwest Capital, LLC

Awards, accreditations, and accolades received by our Company

The table below sets forth key awards, accreditations and accolades received by our Company:

Calendar Year	Particulars
2025	Our Company was voted as winners in the NielsenIQ Product of the Year 2025 competition in the following categories: (a) “Duroflex Back Magic” won in the “Mattress” category; (b) “Duroflex Wave Plus” won in the “Smart Adjustable Sleep Solution” category and (c) “Sleepyhead RX7” won in the “Recliner Chair” category.
2025	Our Company was awarded the ‘India’s Most Trusted Comfort Solutions Brand Customers Choice – Sleep & Sitting’ award at the 7 th edition Smart CX Summit & Awards 2025 by The Brainalytics
2024	Our Company was awarded the ‘Home & Lifestyle Retailer of the Year’ award at the IReC Awards 2024 by IndianRetailer
2024	Our Company was awarded in the sustainable marketing – consumer durables/ automotive/manufacturing segment at ‘The Great Mattress Exchange’ award at the e4mIMA South Indian Marketing Awards 2024 by Tilt Brand Solutions
2024	Our Company was awarded the ‘Best Tech-Driven Multichannel Customer Engagement Initiative (E-commerce)’ award at the 4 th edition Excellence Awards 2024 by Quantic™
2024	Our Company was awarded the ‘Best Celebrity Activation’ award at the India Influencer Awards Chapter 2, 2024 by iCUBESWIRE

Calendar Year	Particulars
2024	Our Company was awarded the bronze award for ‘Campaign of the Year’ at the #Excelaward BW Business World, Excel, Excellence in Communication and Engagement by BW Businessworld
2023	Our Company was awarded the ‘Top 4 Platinum/ Gold Seller Highest GMV spike’ award at the FlipStars’23 #jashnJeetKa by Flipkart Seller Hub
2023	“Duroflex Wave Plus, Sleep Upgraded” by our Company was awarded in the category - New Product launch - Consumer Durables/Automotive/ Manufacturing at the e4m IMA South Indian Marketing awards 2023
2023	Our Company was awarded the ‘Best Influencer Campaign’ award at the IReC awards organized by Franchise India, and IndianRetailer.com
2023	Our Company was awarded the ‘Amazon STEP Premium Seller’ award 2023
2022	Our Company was awarded the ‘e4m Pride of India Brands, The Best of Bharat’ awards 2022
2019	Our Company was awarded the ‘Company of the Year – Consumer Durables’ awards at the Dare to Dream awards season 2 by Zeebusiness in association with SAP

Time and cost over-runs

As on the date of this Draft Red Herring Prospectus, there have been no time and cost over-runs in respect of our business operations.

Defaults or re-scheduling, restructuring of borrowings with financial institutions/banks

There have been no defaults or re-scheduling/ re-structuring in relation to borrowings availed by our Company from any financial institutions or banks.

Significant financial or strategic partners

As of the date of this Draft Red Herring Prospectus, our Company does not have any significant financial or strategic partners.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/ facility creation or location of plants

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/ facility creation or location of plants, see “Our Business – Business Operations” and “- Major events and milestones of our Company” on pages 199 and 234, respectively.

Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, in the last 10 years

Except as disclosed below, there has neither been any material acquisition or divestment of any business or undertaking nor has the Company undertaken any merger or amalgamation or revaluation of assets in the last 10 years:

All the terms defined below for a particular agreement shall be specific to the description of the agreements included in this section.

A. Acquisition of Shivaarna Technofoams Private Limited

Share Purchase Agreement cum Indemnity Bond dated October 17, 2020 (“Shivaarna SPA”) was entered into by and amongst Abhishek Somani, Mahesh Somani, Pooja Somani, Asha Anoop Mundra, Pushpa Somani, Anoop Balakrishna Mundra, Ram Sharan Modi, Sangeeta Devi Modi, Kinjal Jethwa, and Chintan Jethwa, (together, the “Sellers”), our Company (“Purchaser”), and Shivaarna Technofoams Private Limited (“Shivaarna”).

Our Company, pursuant to the Shivaarna SPA purchased 4,950,000 equity shares of face value of ₹ 10 each (“Sale Shares”) of Shivaarna from the Sellers, amounting to 100.00% of the issued, subscribed and paid-up equity share capital of Shivaarna for a total consideration of ₹ 82.62 million. Basis the Shivaarna SPA, our Company acquired 100% of its issued, subscribed, and paid-up equity share capital of Shivaarna with effect from October 17, 2020, as per the Shivaarna SPA.

No valuation report was obtained in relation to this transaction, as the acquisition was carried out through a purchase of shares which does not mandate valuation of shares in case of transfer of shares, as per the Companies Act.

None of our Promoters or our Directors are related to the Sellers.

B. *Amalgamation of Duroflex Exports Private Limited with our Company*

Pursuant to a resolution passed by our Board of Directors on January 24, 2020, and subsequent resolutions passed by our Shareholders and Creditors on March 9, 2020 each, our Company submitted an application for a scheme of amalgamation (hereinafter, the “**Scheme**”) of Duroflex Exports Private Limited, previously a wholly owned subsidiary of our Company, into our Company. This application was filed under Section 233 of the Companies Act, 2013 and the rules thereunder, before the Regional Director, Southern Region (referred to herein as the “**Regional Director**”). The underlying justification for this Scheme was, among other things, the integration and consolidation of the operations of both companies to achieve a more efficient deployment of resources, streamlined management, reduction in administrative and redundant expenditures, and simplified regulatory compliance. Consequent to the Scheme’s implementation, the entire undertaking and assets of Duroflex Exports Private Limited, comprising, but not limited to, its debts, liabilities, properties, assets, licenses, employees, and extant legal proceedings, were formally transferred to and vested in our Company.

The Regional Director granted approval for the Scheme via an order dated July 17, 2020, (“**Regional Director Order**”). The Scheme became operative upon the filing of the certified true copy of the Regional Director Order with the registrar of companies, and in accordance with the terms of the sanctioned Scheme, the amalgamation was effective from the Appointed Date of April 1, 2019, as a result of which Duroflex Exports Private Limited stood dissolved without the process of winding up. No valuation report was obtained in relation to this transaction, since no consideration was involved.

C. *Amalgamation of Palmspring Mattresses Private Limited with our Company*

Pursuant to a resolution passed by our Board on November 15, 2023, and a special resolution by our Shareholders on February 9, 2024, our Company submitted an application for a scheme of amalgamation of Palmspring Mattresses Private Limited (“**Palmspring**”), previously a wholly-owned subsidiary of our Company (hereinafter, the “**Scheme**”) into our Company, as prescribed by Sections 233 of the Companies Act, before the Regional Director, Southern Region (referred to herein as the “**Regional Director**”). The underlying justification for this Scheme was, among other things, the integration and consolidation of the operations of Palmspring and our Company, with the aim of achieving a more efficient deployment of resources and a reduction in both administrative and redundant expenditures. Consequent to the Scheme’s implementation, the complete business and assets of Palmspring, comprising, but not limited to, its debts, liabilities, properties, assets, licenses, employees, and extant legal proceedings, were formally transferred to and vested in our Company, with effect from the date the Scheme became operative. The Regional Director granted approval for the Scheme via an order dated March 26, 2024 (“**Regional Director Order**”), and the Scheme became effective from April 2, 2024 (being the last of the dates on which the certified true copy of the Regional Director Order of the central government/regional director sanctioning the scheme, were filed with the registrar of companies by the transferee and transferor company respectively). No valuation report was obtained in relation to this transaction, since no consideration was involved.

D. *Demerger of trading business of Sleepyhead Home Decor Private Limited with our Company*

Pursuant to a resolution by our Board on November 15, 2023, and a special resolution by our Shareholders on February 9, 2024, our Company submitted an application for a scheme of arrangement for the demerger of the trading business “**Demerged Undertaking**” (as defined in the Scheme) of Sleepyhead Home Decor Private Limited, a wholly-owned subsidiary of our Company (hereinafter, the “**Scheme**”) into our Company, as prescribed by Sections 233 of the Companies Act, before the Regional Director, Southern Region (referred to herein as the “**Regional Director**”). The underlying justification for this Scheme was, among other things, to enhance shareholder value, segregate businesses with different risk profiles for focused growth, and achieve operational efficiencies and synergies. Consequent to the Scheme’s implementation, the complete trading business and undertaking of the Demerged Undertaking of Sleepyhead Home Decor Private Limited, comprising, but not limited to, its debts, liabilities, properties, assets, licenses, employees, and extant legal proceedings, were formally transferred to and vested in our Company, with effect from the date the Scheme became operative. Effective from March 29, 2024 (being the last of the dates on which the certified true copy of the Regional Director Order of the central government/regional director sanctioning the scheme, are filed with the Registrar of Companies by the demerged company and our Company respectively). The Regional Director granted approval for the Scheme via an order dated March 27, 2024 (“**Regional Director Order**”). No valuation report was obtained in relation to this transaction, since no consideration was involved.

E. *Acquisition of Vazhathoppil Enterprises Private Limited (“VEPL”)*

Our Company, pursuant to a share transfer agreement dated February 19, 2025 (“**VEPL SPA**”) entered into by and amongst Mathew George, Jacob Joseph George (together, the “**Sellers**”), our Company and VEPL, purchased 9,999 equity shares and acquired beneficial interest in 1 equity share (“**Sale Shares**”) of VEPL of face value of ₹ 10 each from the Sellers, amounting to 100% of the issued, subscribed and paid-up equity share capital of VEPL, for a total

consideration of ₹ 100,000. Basis the VEPL SPA, our Company acquired control of VEPL, making it a wholly-owned subsidiary of our Company with effect from February 19, 2025.

A valuation report dated February 7, 2025 was obtained from a chartered accountant, in relation to this transaction. Our Promoters and Directors, Jacob Joseph George and Mathew George, were the sellers of the Sale Shares.

F. Demerger of the warehousing business of our Company to Vazhathoppil Enterprises Private Limited

Pursuant to a resolution by our Board on March 5, 2025, and a special resolution by our Shareholders on June 6, 2025, our Company submitted an application for a scheme of demerger of the warehousing business of our Company (the “**Demerged Undertaking**”) into Vazhathoppil Enterprises Private Limited (“**VEPL**”), previously a wholly-owned subsidiary of our Company (hereinafter, the “**Scheme**” and “**Resulting Company**”, respectively), as prescribed by Section 233 of the Companies Act, before the Regional Director, Southern Region (referred to herein as the “**Regional Director**”). The underlying justification for this Scheme was, among other things, the restructuring within the group, the segregation of the warehousing business to enable focused management, unlock the potential of the Demerged Undertaking and the remaining business, and achieve a more efficient deployment of resources, leading to operational and cost efficiencies. Consequent to the Scheme’s implementation, the complete Demerged Undertaking, comprising, but not limited to, its debts, liabilities, properties, assets, licenses, employees, and extant legal proceedings, were formally transferred to and vested in the Resulting Company, with effect from the date the Scheme became operative. As consideration for the demerger, VEPL issued 129 compulsorily convertible preference shares of face value ₹10 each for every 1,000 equity shares held by the shareholders of our Company. These shares were allotted to the members of the Demerged Undertaking whose names appeared in its register of members, or to their recognised heirs, executors, administrators, other legal representatives, or successors in title. Simultaneously, our Company’s equity shares in VEPL (excluding those held in a nominee capacity) were cancelled, which resulted in VEPL ceasing to be a subsidiary. Furthermore, two equity shares held by our Company in a nominee capacity were transferred to Mathew Antony Joseph and Jacob Joseph George.

The Scheme became effective on August 7, 2025 (being the date on which Board of Directors of the Demerged Company and Resulting Company acknowledge in writing that all the conditions and matters referred to in the scheme have occurred or have been fulfilled, obtained or waived, as applicable, in accordance with the scheme). A fairness opinion dated March 5, 2025, prepared by Ramgopal Krishnamurthy (IBBI registered valuer) was obtained for this demerger.

Shareholders’ agreements and other agreements

Except as disclosed in Shareholders’ agreements and other agreements above, there are no other agreements/ arrangements entered into by our Company or clauses / covenants applicable to our Company which are material and which are required to be disclosed, or the non - disclosure of which may have a bearing on the investment decision of prospective investors in the Offer.

All the terms defined below for a particular agreement shall be specific to the description of the agreements included in this section.

Shareholders’ agreements

Details of subsisting shareholder’s agreements among our shareholders vis-à-vis our Company, as on the date of this Draft Red Herring Prospectus, are provided below:

Shareholders’ Agreement

Shareholders’ agreement dated October 12, 2021 (“SHA”), entered into by and amongst the Company, Lighthouse India Fund III, Limited (“Lighthouse Fund”), Sachin Kumar Bhartiya, (in his capacity as the trustee of Lighthouse India III Employee Trust) (“Lighthouse Trust” and together with Lighthouse Fund, “Lighthouse” or “Existing Investor”), Norwest Capital, LLC (“New Investor” or “Norwest”) (Norwest and Lighthouse, “SHA Investors”), Mathew Chandy, Mathew George, Mathew Antony Joseph, and Jacob Joseph George, (“Promoters”), read with deeds of adherence dated December 10, 2021 entered into by and amongst our Company, Miriam Chandy, Promoters, Lighthouse and Norwest, (“Deed of Adherence”), as amended pursuant to the amendment agreement dated November 23, 2022 (“SHA Amendment Agreement”) and waiver cum amendment agreement dated October 13, 2025 (“WCA”, and the SHA read together with the SHA Amendment Agreement and WCA, the “Shareholders Agreement” or “SHA”).

The SHA sets out the rights and obligations of the parties thereto in relation to their respective shareholding in our Company and other rights including governance and management of our Company and matters in connection therewith.

Under the SHA, as amended by the WCA, the Promoters shall, at all times, have the right to nominate up to four directors on the Board of our Company ("**Promoter Directors**"). In addition, Lighthouse and Norwest are each entitled to nominate one non-retiring, non-executive director to the Board ("**Investor Director**"), so long as Lighthouse and Norwest (together with its affiliates) holds Equity Shares equal to or greater than 7.5% of the share capital on a fully diluted basis (such rights to nominate Promoter Directors and Investor being "**Nomination Rights**"). Further, the Board is also required to appoint such number of independent directors, as required under applicable law. The SHA further provides that each Investor has the right to appoint an observer to the Board.

Certain rights that some of the parties are entitled to under the SHA (as amended by the WCA) include (i) right to nominate directors; (ii) right to nominate a member on the committees of our Company's Subsidiaries; (ii) information and inspection rights; (iii) affirmative voting rights on certain reserved matters by Lighthouse and Norwest such as amendment to charter documents, any changes in the authorized share capital, compensation structure of the Directors of our Company etc.; (vii) exit rights; and (viii) tag and drag along rights

In view of facilitating the Offer, the parties to the SHA have entered into the WCA. Pursuant to the WCA, certain provisions of the SHA have been amended, and the parties to the SHA have also provided their respective waivers and consents to certain actions under the SHA in relation to the Offer, including, *inter alia*, (i) providing notice for meetings of the Board in relation to the Offer; (ii) waiver from enforcement of anti-dilution rights with respect to any proposed pre-IPO placement and the Fresh Issue, provided in relation to pre-IPO placement and the valuation for issuance of Equity Shares thereunder, prior consent of the Investors in accordance with the SHA will be obtained; (iii) waiver of transfer restrictions in respect of and to the extent of transfers solely pursuant to the Offer for Sale; (iv) waiver of right to appoint observer from the date of filing of the RHP; (v) deletion of buy-back clauses pursuant to which Company had an obligation to buy back Equity Shares; and (vi) amendment to the permitted transfers provision, to provide that in the event Investors are not able to achieve an exit from our Company by the IPO Long Stop Date (*defined hereinafter*), the Investors shall be entitled to transfer their Equity Shares to a global competitor. In terms of the WCA, IPO Long Stop Date means the earlier of the following: (i) the date of expiry of 12 months from the date of filing of this Draft Red Herring Prospectus, if the listing of the Equity Shares of the Company has not occurred prior to such date; or (ii) date of expiry of 45 days from the filing the updated Red Herring Prospectus, if the listing of Equity Shares of the Company has not occurred prior to the expiry of such date; or; (iii) the date on which the Board decides not to undertake the Offer or decides to withdraw the Offer; or (iv) such other date as may be mutually agreed to in writing among the parties to the SHA.

The SHA (as amended by the WCA) states that upon commencement of trading of Equity Shares of our Company on the Stock Exchanges pursuant to the Offer (the "**Completion of the Offer**"), our Company shall include an agenda item for approval by the Shareholders by way of a special resolution in the first general meeting held after Completion of the Offer to amend the Articles of Association of our Company to give effect to the Nomination Rights included in the SHA (as amended by the WCA), which shall be in compliance with applicable laws, including the SEBI Listing Regulations.

In accordance with the terms of the WCA, the SHA (including the rights enshrined therein) shall stand automatically terminated, upon the Completion of the Offer, except for certain clauses relating to among other things, the definitions, representations and warranties, confidentiality, costs, governing law and dispute resolution that will continue to survive such termination. The WCA will stand automatically terminated on occurrence of the earlier of the following events or dates: (a) in case of termination of the SHA; or (ii) if the Offer has not been consummated on or before the IPO Long Stop Date.

Other agreements

Except as disclosed below, our Company has not entered into any subsisting material agreements and there are no other agreements / arrangements entered into by our Company or clauses / covenants applicable to our Company, which are material and are required to be disclosed, or the non-disclosure of which may have a bearing on the investment decision of prospective investors in the Offer, including with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business:

Share purchase and share subscription agreements

- I. Share subscription and purchase agreement dated October 1, 2018, entered into by and amongst our Company, Lighthouse India Fund III, Limited ("Lighthouse"), Sachin Kumar Bhartiya (in his capacity as the trustee of Lighthouse India III Employee Trust) ("Lighthouse Trust", and together with Lighthouse, the "Investors"), Mathew George, Mathew Chandy, Mathew Antony Joseph, Jacob Joseph George ("Main Promoters"), George Louis Mathew, Mathew George, Annie Chandy, Mathew Chandy, Sheela Joseph, Mathew Antony Joseph, Mallu George, Jacob Joseph George ("Selling Shareholders") and George Louis Mathew, and Coco-Latex Exports Private Limited ("Other Sellers"), as amended by the amendment agreement dated October 12, 2021 entered into by and amongst Lighthouse, Sachin Kumar Bhartiya (in his capacity as the trustee of Lighthouse Trust), Mathew Chandy and the Company ("SSPA").***

Pursuant to the SSPA, the Investors agreed to subscribe to, and our Company agreed to issue and allot, an aggregate of 593,399 equity shares to Lighthouse and 6,315 equity shares to Lighthouse Trust (together, the “**Subscription Shares**”) of our Company, having a face value of ₹10 each, for a total subscription consideration of ₹ 760.00 million by Lighthouse and ₹ 8.00 million by Lighthouse Trust. In addition, Lighthouse agreed to purchase from the Selling Shareholders an aggregate of 655,863 equity shares and Lighthouse Trust agreed to purchase from the Selling Shareholders an aggregate of 6,980 equity shares (collectively, “**Sale Shares**”) of our Company, for an aggregate purchase consideration of ₹ 831.16 million paid by Lighthouse and ₹ 8.85 million paid by Lighthouse Trust. For further details regarding the allotment of the equity shares pursuant to SSPA, please see “*Capital Structure – Notes to the Capital Structure. Share capital history of our Company – (b) Secondary Transactions*” on page 92.

II. Share Subscription Agreement dated October 12, 2021 (“SSA”) was entered into by and amongst Norwest Capital, LLC (“Norwest”), Our Company and Mathew George, Mathew Chandy, Mathew Antony Joseph and Jacob Joseph George (“Promoters”).

Pursuant to the SSA, Norwest, agreed to subscribe to 523,117 equity shares having face value of ₹10 each, of our Company, for an aggregate consideration of ₹2,043.92 million. For further details regarding the allotment of the equity shares pursuant to the SSA, please see “*Capital Structure – Notes to the Capital Structure - Share capital history of our Company*” on page 86.

III. Share purchase agreement dated October 12, 2021 (“Promoter SPA”) entered into by and amongst our Company, Norwest Capital, LLC (“Purchaser”) and Mathew Chandy, Mathew George, Jacob Joseph George, Mathew Antony Joseph, George L Mathew (“collectively being known as the “Sellers”).

Pursuant to the Promoter SPA, Purchaser agreed to purchase 155,120 equity shares of our Company, having a face value of ₹10 each, from the sellers, for an aggregate consideration of ₹606.08 million. For further details regarding the allotment and respective transfers of the equity shares pursuant to the Promoter SPA, please see “*Capital Structure – Notes to the Capital Structure. Share capital history of our Company – (a) Equity share capital*” and “*Capital Structure – Notes to the Capital Structure. Share capital history of our Company – (b) Secondary transactions*” on page 92.

IV. Share purchase agreement dated October 12, 2021 (“LH SPA”), entered into by and amongst our Company, Norwest Capital, LLC (“Purchaser”), Lighthouse India Fund III, Limited (“Seller I”), and Sachin Bhartiya (in his capacity as the trustee of Lighthouse India III Employee Trust) (“Seller II”).

Pursuant to the LH SPA, the Purchaser agreed to purchase 409,501 equity shares of our Company, having a face value of ₹10 each, from both Seller I and Seller II (together, the “**Sellers**”), for a consideration amounting to USD equivalent of ₹1,583.15 million, calculated on the business closing date as defined in the LH SPA, and ₹16.85 million respectively. For further details regarding the allotment and respective transfers of the equity shares pursuant to LH SPA, please see “*Capital Structure – Notes to the Capital Structure. Share capital history of our Company – (a) Equity share capital*” and “*Capital Structure – Notes to the Capital Structure. Share capital history of our Company – (b) Secondary transactions*” on page 92.

Holding Company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Our Subsidiaries, associates and joint ventures

As on the date of this Draft Red Herring Prospectus, our Company has three subsidiaries. Our Company does not have any joint ventures or associates.

Our Subsidiaries

1. Sleepyhead Home Decor Private Limited (“Sleepyhead”)

Corporate Information

Sleepyhead is a private limited company, incorporated under the Companies Act 2013, pursuant to a certificate of incorporation dated August 28, 2017, issued by the Registrar of Companies, Central Registration Centre, Manesar. The registered office of Sleepyhead is at NR Trident Business Park, 30/6, HSR Layout, vide CMC Khatha No.268/18/11, Sector 6, Hosur, Main Road, Bangalore 560 068, Karnataka, India. Its CIN is U74999KA2017PTC105903. Sleepyhead is a wholly owned subsidiary of our Company.

Nature of Business

Sleepyhead is engaged in the business of *inter alia*, providing warehousing and storage services.

Capital Structure

The capital structure of Sleepyhead, as on the date of this Draft Red Herring Prospectus, is as follows:

Particulars	Amount (in ₹)
Authorised capital	
100,000 equity shares of face value of ₹ 10 each	1,000,000
1,200,000 preference shares of face value of ₹ 10 each	12,000,000
Issued, subscribed and paid-up capital	
30,566 equity shares of face value of ₹ 10 each	305,660
600,000 Preference shares of face value of ₹ 10 each	6,000,000

Shareholding Pattern

The shareholding pattern of Sleepyhead, as on the date of this Draft Red Herring Prospectus, is as follows:

Equity Shares

Sr. No.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of total equity shareholding (%)
1.	Duroflex Limited	30,562	100
2.	Jacob Joseph George*	1	0
3.	Mathew Chandy*	1	0
4.	Mathew George*	1	0
5.	Mathew Antony Joseph*	1	0
Total		30,566	100

* Holding equity shares in capacity of a nominee of our Company.

Preference Shares

Sr. No.	Name of the shareholder	No. of preference shares of ₹ 10 each	Percentage of total preference shareholding (%)
1.	Duroflex Limited	600,000	100
Total		600,000	100

2. REM42 Technologies Private Limited (“REM42”)

Corporate Information

REM42 Technologies Private Limited is a private limited company, incorporated under the Companies Act 2013, pursuant to a certificate of incorporation dated April 23, 2021, issued by the Registrar of Companies, Central Registration Centre Manesar. The registered office of REM42 Technologies Private Limited is at NR Trident Business Park, 30/6, HSR Layout, Vide CMC Khatha No.268/18/11, Sector 6, Hosur Main Road, Bangalore 560 068, Karnataka, India. Its CIN is U72900KA2021PTC146926. REM42 is a wholly owned subsidiary of our Company.

Nature of Business

REM42 Technologies Private Limited is engaged in the business of, *inter alia*, providing information technology support services including but not limited to software designing, development, customisation, implementation, maintenance, testing and benchmarking, and dealing in computer software and solutions.

Capital Structure

The capital structure of REM42, as on the date of this Draft Red Herring Prospectus, is as follows:

Particulars	Amount (in ₹)
Authorised capital	
28,000,000 equity shares of face value of ₹ 10 each	280,000,000
Issued, subscribed and paid-up capital	
27,900,000 equity shares of face value of ₹ 10 each	279,000,000

Shareholding Pattern

The shareholding pattern of REM42, as on the date of this Draft Red Herring Prospectus, is as follows:

Sr. No.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of total equity shareholding (%)
1.	Duroflex Limited	27,899,999	100
2.	Mathew Chandy*	1	0
Total		27,900,000	100

* Holding equity shares in capacity of a nominee of our Company.

3. Shivaarna Technofoams Private Limited (“Shivaarna”)

Corporate Information

Shivaarna is a private limited company, incorporated as ‘Shivaarna Plastics Private Limited’ under the Companies Act 2013, pursuant to certificate of incorporation dated May 24, 2016, by the Central Registration Centre. Subsequently its name was changed to ‘Shivaarna Technofoams Private Limited’ pursuant to a resolution passed by the board of Shivaarna on March 29, 2017 and a special resolution passed by the Shareholders of Shivaarna on March 30, 2017. A fresh certificate of incorporation dated April 18, 2017, reflecting this change was issued by the Registrar of Companies, Madhya Pradesh at Gwalior. The registered office of Shivaarna is located at 435/3 & 435/4, Village-Hatuniya, Tehsil-Sanwer, Indore 453 771, Madhya Pradesh, India. Its CIN is U25517MP2016PTC040811. Shivaarna is a wholly owned subsidiary of our Company.

Nature of Business

Shivaarna is engaged in the business of, *inter alia*, manufacturing, producing, processing, exporting, importing, wholesale, and retail all kinds of polyurethane foam and products, chemicals, and other polymers. It also carries on business as the manufacturers, processors, wholesalers and retailers of coir and rubberized coir products, particle and laminated boards, and insulating boards. Furthermore, it manufactures and trades in all kinds of mattresses, pillows, cushions, and underlays made from polyurethane foam, natural and synthetic rubber foam, coir and rubberized coir, and springs.

Capital Structure

The capital structure of Shivaarna, as on the date of this Draft Red Herring Prospectus, is as follows:

Particulars	Amount (in ₹)
Authorised capital	
6,000,000 equity shares of face value of ₹ 10 each	60,000,000
Issued, subscribed and paid-up capital	
5,636,000 equity shares of face value of ₹ 10 each	56,360,000

Shareholding Pattern

The shareholding pattern of Shivaarna, as on the date of this Draft Red Herring Prospectus, is as follows:

Sr. No.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of total equity shareholding (%)
1.	Duroflex Limited	5,635,999	100
2.	Jacob Joseph George*	1	0
Total		5,636,000	100

* Holding equity shares in capacity of a nominee of our Company.

Accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of any of our Subsidiaries that have not been accounted for by our Company.

Interest in our Company

Except for the details of related business transactions between our Subsidiaries and our Company disclosed in “*Restated Consolidated Financial Information – Note 46 - Related Party Transactions*” on page 336, our Subsidiaries do not have any business interest in our Company.

Common pursuits between our Subsidiaries and our Company

Our Subsidiaries, Shivaarna, REM42, and Sleepyhead, are engaged in the supply of, *inter alia*, finished goods, technological services and warehousing - storage facilities to our Company. However, we do not perceive any conflict of interest with these

Subsidiaries, since our Subsidiaries are engaged in businesses which are synergistic with the business of our Company. For further details, please see “*Our Business*” on page 185.

Details of guarantees given to third parties by the Promoter Selling Shareholders

Our Promoter Selling Shareholders have not given any guarantees to third parties.

Agreements with Key Managerial Personnel, Senior Management, Director or any other employee of our Company

As on the date of this Draft Red Herring Prospectus there are no agreements entered into by a Key Managerial Personnel, Senior Management or Director or any other employee of our Company, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Agreements required under Clause 5A of paragraph A of part A of Schedule III of the SEBI Listing Regulations

Except as disclosed herein, as on the date of this Draft Red Herring Prospectus, there are no agreements entered into by our Shareholders, Key Managerial Personnel, there are no other agreements required to be disclosed under Clause 5A of paragraph A of part A of Schedule III of the SEBI Listing Regulations.

Key terms of other subsisting material agreements

Except for the agreements disclosed herein, our Company has not entered into any other material agreements which are subsisting other than in the ordinary course of business of our Company as on the date of this Draft Red Herring Prospectus.

OUR MANAGEMENT

In accordance with the Companies Act and our Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises eight Directors including one Chairman and Managing Director, three Whole-time Directors and four Independent Directors, of which two are women.

Our Board

The following table sets forth details of our Board as on the date of this Draft Red Herring Prospectus:

S. No.	Name, designation, address, occupation, term, period of directorship, DIN, date of birth	Age (years)	Other directorships
1.	Jacob Joseph George Designation: Chairman and Managing Director⁽¹⁾ Address: 3F Orchard Green, Amarjyoti Layout, Domlur, Bengaluru 560 071, Karnataka, India Occupation: Business Term: Period of five years from September 9, 2025, not liable to retire by rotation Period of directorship: Since June 4, 2013 DIN: 06603830 Date of birth: March 16, 1988	37	Indian companies: • Ayubowan Enterprises Private Limited • Coco-Latex Exports Private Limited • Ranul Enterprises Private Limited • REM42 Technologies Private Limited • Shivaarna Technofoams Private Limited • Sleepyhead Home Décor Private Limited • Vazhathoppil Enterprises Private Limited Foreign companies: Nil
2.	Mathew Chandy Designation: Whole-time Director Address: 2 Brunton Manor, 21/2 Brunton Road, Bangalore North, Museum Road, Bengaluru 560 025, Karnataka, India Occupation: Business Term: Period of five years from September 9, 2025, liable to retire by rotation Period of directorship: Since April 23, 2012 DIN: 05289633 Date of birth: April 20, 1978	47	Indian companies: • Ayubowan Enterprises Private Limited • Coco-Latex Exports Private Limited • Ranul Enterprises Private Limited • REM42 Technologies Private Limited • Shivaarna Technofoams Private Limited • Sleepyhead Home Décor Private Limited • Vazhathoppil Enterprises Private Limited Foreign companies: Nil
3.	Mathew George Designation: Whole-time Director Address: 852, Tower 8, Embassy Pristine, Iblur Village, Outer Ring Rd, Bangalore South, Bengaluru 560 102, Karnataka, India Occupation: Business Term: Period of five years from September 9, 2025, liable to retire by rotation Period of directorship: Since March 18, 2011	41	Indian companies: • Ayubowan Enterprises Private Limited • Coco-Latex Exports Private Limited • Ranul Enterprises Private Limited • REM42 Technologies Private Limited • Shivaarna Technofoams Private Limited • Sleepyhead Home Décor Private Limited • Vazhathoppil Enterprises Private Limited Foreign companies: Nil

S. No.	Name, designation, address, occupation, term, period of directorship, DIN, date of birth	Age (years)	Other directorships
	DIN: 03499253 Date of birth: September 9, 1984		
4.	Mathew Antony Joseph Designation: Whole-time Director Address: Flat No. 872, Embassy Pristine, #21, 6 th Main, Iblur, Behind Suncity, Bellandur, Bengaluru 560 102, Karnataka, India Occupation: Business Term: Period of five years from September 9, 2025, liable to retire by rotation Period of directorship: Since March 18, 2011 DIN: 03499210 Date of birth: October 15, 1984	41	Indian companies: • Ayubowan Enterprises Private Limited • Coco-Latex Exports Private Limited • Ranul Enterprises Private Limited • REM42 Technologies Private Limited • Shivaarna Technofoams Private Limited • Sleepyhead Home Décor Private Limited • Vazhathoppil Enterprises Private Limited Foreign companies: Nil
5.	Pawan Agrawal Designation: Independent Director Address: A-707, RNA Royale Park, Near Hindustan Naka, M.G. Road, Kandivali (West), Mumbai 400 067, Maharashtra, India Occupation: Service Term: Period of three years from September 9, 2025, not liable to retire by rotation Period of directorship: Since September 9, 2025 DIN: 08863625 Date of birth: November 5, 1977	47	Indian companies: Nil Foreign companies: • Marico Bangladesh Limited • Marico Malaysia Sdn. Bhd. • Marico Middle East FZE • Marico South Africa (Pty) Limited • Marico South Africa Consumer Care (Pty) Limited • Marico South East Asia Corporation
6.	Amita Maheshwari Designation: Independent Director Address: N1-2401, Floor 24, World One, Lodha World Tower, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, Maharashtra, India Occupation: Professional Term: Period of three years from September 9, 2025, not liable to retire by rotation Period of directorship: Since September 9, 2025 DIN: 02891889 Date of birth: January 31, 1968	57	Indian companies: Nil Foreign companies: Nil
7.	Shreyans Daga	45	Indian companies:

S. No.	Name, designation, address, occupation, term, period of directorship, DIN, date of birth	Age (years)	Other directorships
	Designation: Independent Director Address: K 901, Mantri Espana, Kariyamma Aagrahara, Varthur Hobli, Bellandur, Bengaluru 560 103, Karnataka, India Occupation: Professional Term: Period of three years from September 22, 2025, not liable to retire by rotation Period of directorship: Since September 22, 2025 DIN: 07402851 Date of birth: June 25, 1980		- Vivish Insurance Advisory Services Private Limited - Vivish Technologies Private Limited Foreign companies: Nil
8.	Anusha Mahalingam Designation: Independent Director Address: Apt 201, Aravindaksha 113, 3 rd Main Road, Defence Colony, Indiranagar, Bangalore North, Bengaluru 560 038, Karnataka, India Occupation: Professional Term: Period of three years from October 6, 2025, not liable to retire by rotation Period of directorship: Since October 6, 2025 DIN: 06418747 Date of birth: December 21, 1980	44	Indian companies: LessonLeap Academy India Private Limited Foreign companies: Nil

(1) Appointed as the Chairman and Managing Director, pursuant to resolutions passed by our Board and the Shareholders each on September 9, 2025.

Brief Biographies of our Directors

Jacob Joseph George is one of our Promoters and is currently the Chairman and Managing Director of our Company. He holds a master's degree in business administration (entrepreneurship and family business) from the School of Business Management, Shri Vile Parle Kelavani Mandal's Narsee Monjee Institute of Management Studies. He has been associated with our Company as a Director since June 4, 2013. He has several years of work experience in the business operations, strategy and corporate sector. In our Company, he is responsible for managing our annual operating plan and growth strategies while overseeing human resource and finance functions.

Mathew Chandy is one of our Promoters and is currently a Whole-time Director of our Company. He holds a bachelor's degree of law from National Law School of India University, Bangalore. He has been associated with our Company as a Director since April 23, 2012. He was previously associated with Linklaters Business Services. He has several years of work experience in management and business services. In our Company, he is responsible for shaping the overall strategy of the Company.

Mathew George is one of our Promoters and is currently a Whole-time Director of our Company. He holds a bachelor's degree of arts in economics from the University of Madras and a master's degree in international business from Monash University. He has been associated with our Company as a Director since March 18, 2011. He was previously associated with ANZ Operations and Technology Private Limited. He has several years of work experience in the technology and business operations sector. In our Company, he is responsible for managing manufacturing and supply chain operations while driving product development to ensure innovation and business growth.

Mathew Antony Joseph is one of our Promoters and is currently a Whole-time Director of our Company. He holds a *bachelor's* degree of business management from Christ College, Bangalore and has completed the post graduate programme in arts in advertising and marketing from University of Leeds. He has been associated with our Company as a Director since March 18, 2011. He has several years of work experience in the business operations, strategy and corporate sector. In our Company, he is

responsible for supporting and monitoring activities of the executive committee with a focus on marketing, direct-to-consumer initiatives and driving growth and strengthening brand presence.

Pawan Agrawal is an Independent Director of our Company. He holds a bachelor's degree of commerce (honours) from University of Calcutta and is a member of the Institute of Chartered Accountants of India and has completed the final examinations held by qualified chartered accountant from Institute of Chartered Accountants of India. He has been associated with our Company as a Director since September 9, 2025. He is associated with Marico Limited as the chief financial officer. He has several years of work experience in the finance and business sector.

Amita Maheshwari is an Independent Director of our Company. She holds a bachelor's degree of science in electro and communication engineering from Bihar College of Engineering and a post graduate diploma in personnel management and industrial relations from XLRI Jamshedpur. She has been associated with our Company as a Director since September 9, 2025. She was previously associated with Star India Private Limited in the capacity of head of human resources, APAC and India, international content and operations. She has several years of work experience in the field of human resources.

Shreyans Daga is an Independent Director of our Company. He holds a bachelor's degree of technology in civil engineering from Indian Institute of Technology, Guwahati and has completed the post graduate programme in management from Indian School of Business, Hyderabad. He has been associated with our Company as a Director since September 22, 2025. He was previously associated with Oracle India Private Limited, RSG Media Systems Private Limited and Nine Dot Nine Mediaworx Private Limited. He has several years of work experience in software development, product leadership and business innovation.

Anusha Mahalingam is an Independent Director of our Company. She holds a bachelor's degree of arts in economics from University of Madras and a master's degree in business administration from Harvard University at Cambridge, in the Commonwealth of Massachusetts and a master's degree in arts from Wolfson College in the University of Cambridge. She has been associated with our Company as a Director since October 6, 2025. She has been associated with Preply as the senior director of group classes. She has several years of work experience in technology, education and consulting.

Relationship between our Directors, Key Managerial Personnel and Senior Management

Except as stated below, none of our Directors, Key Managerial Personnel and Senior Management are related to each other:

Name of the Director or Key Managerial Personnel	Name of the related Director or Key Managerial Personnel	Relationship
Jacob Joseph George	Mathew George	Brother
	Mathew Chandy	First cousin
	Mathew Antony Joseph	First cousin
Mathew Chandy	Mathew George	First cousin
	Jacob Joseph George	First cousin
	Mathew Antony Joseph	First cousin
Mathew George	Jacob Joseph George	Brother
	Mathew Chandy	First cousin
	Mathew Antony Joseph	First cousin
Mathew Antony Joseph	Mathew George	First cousin
	Jacob Joseph George	First cousin
	Mathew Chandy	First cousin

Confirmations

None of our Directors is or was a director of any listed company during the five years immediately preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on any of the stock exchange during their directorship in such companies.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested by any person either to induce them to become or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the term of their directorship in such company.

Arrangements or understandings with major shareholders, customers, suppliers or others

Except for Jacob Joseph George, Mathew Chandy, Mathew George and Mathew Antony Joseph, who have been appointed pursuant to the rights available to them under the SHA, there are no arrangements or understandings with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors are appointed on the Board or as a member

of the senior management. For further details, see “*History and Certain Corporate Matters – Shareholders’ agreements and other agreements*” on page 237.

Terms of appointment of our Chairman and Managing Director

Jacob Joseph George

Pursuant to the resolutions passed by our Board and Shareholders each dated September 9, 2025, Jacob Joseph George has been appointed as the Chairman and Managing Director of our Company with effect from September 9, 2025, for a period of five years, not liable to retire by rotation.

Further, pursuant to the resolutions each dated September 9, 2025, passed by our Board and Shareholders of our Company, the terms of remuneration of Jacob Joseph George were revised in accordance with the Sections 196, 197 and 198 of the Companies Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read in consonance with the employment agreement dated September 9, 2025, are as specified below:

Particulars	Annual Amount
Fixed remuneration	Up to ₹ 6.90 million
Variable pay	Up to ₹ 4.55 million
Total remuneration inclusive of bonus and perquisites	Up to ₹ 11.45 million

In addition to the remuneration, Jacob Joseph George is also entitled to the various contribution under the applicable labour legislations.

Terms of appointment of our Whole-time Directors

Mathew Chandy

Pursuant to the resolutions passed by our Board and Shareholders each dated September 9, 2025, Mathew Chandy has been appointed as a Whole-time Director of our Company with effect from September 9, 2025, for a period of five years, liable to retire by rotation.

Further, pursuant to the resolutions each dated September 9, 2025, passed by our Board and Shareholders of our Company, the terms of remuneration of Mathew Chandy were revised in accordance with the Sections 196, 197 and 198 of the Companies Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read in consonance with the employment agreement dated September 9, 2025, are as specified below:

Particulars	Annual Amount
Fixed remuneration	Up to ₹ 6.90 million
Variable pay	Up to ₹ 4.55 million
Total remuneration inclusive of bonus and perquisites	Up to ₹ 11.45 million

In addition to the remuneration, Mathew Chandy is also to the various contribution under the applicable labour legislations.

Mathew George

Pursuant to the resolutions passed by our Board and Shareholders each dated September 9, 2025, Mathew George has been appointed as the Whole-time Director of our Company with effect from September 9, 2025, for a period of five years, liable to retire by rotation.

Further, pursuant to the resolutions each dated September 9, 2025, passed by our Board the Shareholders of our Company, the terms of remuneration of Mathew George were revised in accordance with the Sections 196, 197 and 198 of the Companies Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read in consonance with the employment agreement dated September 9, 2025, are as specified below:

Particulars	Annual Amount
Fixed remuneration	Up to ₹ 6.90 million
Variable pay	Up to ₹ 4.55 million
Total remuneration inclusive of bonus and perquisites	Up to ₹ 11.45 million

In addition to the remuneration, Mathew George is also entitled to the various contribution under the applicable labour legislations.

Mathew Antony Joseph

Pursuant to the resolutions passed by our Board and Shareholders dated each September 9, 2025, Mathew Antony Joseph has been appointed as the Whole-time Director of our Company with effect from September 9, 2025, for a period of five years, liable to retire by rotation.

Further, pursuant to the resolutions each dated September 9, 2025 passed by our Board and Shareholders of our Company, the terms of remuneration of Mathew Antony Joseph were revised in accordance with the Sections 196, 197 and 198 of the Companies Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read in consonance with the employment agreement dated September 9, 2025, are as specified below:

Particulars	Annual Amount
Fixed remuneration	Up to ₹ 6.90 million
Variable pay	Up to ₹ 4.55 million
Total remuneration inclusive of bonus and perquisites	Up to ₹ 11.45 million

In addition to the remuneration, Mathew Antony Joseph is also entitled to the various contribution under the applicable labour legislations.

Remuneration to our Independent Directors

Our Independent Directors are entitled for a sitting fee of ₹75,000 and ₹ 20,000 for every meeting attended of the Board and its committees, respectively and a fixed remuneration of ₹ 1.50 million per annum, within the limits prescribed under the Companies Act, 2013, and the rules made thereunder.

Remuneration paid to our Directors

Details of the remuneration paid to our Directors are as follows in Fiscal 2025 are as follows:

(In ₹ million)					
Name of the Director	Remuneration/ salary [^]	Sitting Fees	Commission/pro fessional fees ^{***}	Perquisites	Total remuneration
Jacob Joseph George ^{**}	9.06	-	-	-	9.06
Mathew Chandy ^{**}	9.05	-	-	-	9.05
Mathew George ^{**}	9.02	-	-	0.03	9.05
Mathew Antony Joseph ^{**}	9.05	-	-	-	9.05
Pawan Agrawal [*]	-	-	-	-	-
Amita Maheshwari [*]	-	-	-	-	-
Shreyans Daga [*]	-	-	-	-	-
Anusha Mahalingam [*]	-	-	-	-	-

^{*}The remuneration is not payable to directors as they were appointed in Fiscal 2026.

^{**}The Directors are also KMPs.

^{***}Includes any expense reimbursement provided.

[^] The amount includes component pertaining to post employment benefit, accrual towards variable pay and excludes accrual towards share based payment expense.

Remuneration paid or payable to our Directors by our Subsidiaries

None of our Directors have received or were entitled to receive any remuneration, sitting fees or commission from our Subsidiaries, including any contingent or deferred compensation accrued for Fiscal 2025.

Contingent or deferred compensation paid to Directors by our Company

There is no contingent or deferred compensation accrued for Financial Year 2025 and payable to any of our Directors by our Company.

Bonus or profit-sharing plan of our Directors

Except for Jacob Joseph George, Mathew Chandy, Mathew George and Mathew Antony Joseph who are entitled to a variable pay subject to our Company meeting business targets, basis the employment agreements entered into by them with our Company, each dated September 9, 2025, none of our Directors are entitled to any bonus or profit-sharing plans of our Company.

Service contracts with Directors

None of our Directors have entered into service contracts with our Company pursuant to which they are entitled to any benefits

upon termination of employment.

Shareholding of our Directors in our Company

Our Directors are not required to hold any qualification Equity Shares under our Articles of Association.

Except as disclosed below, none of our Directors hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus:

S. No.	Name of the Director	Number of Equity Shares of face value of ₹ 1 each	Percentage of paid-up Equity Share capital on a fully diluted basis^ (%)
1.	Jacob Joseph George	15,722,656	16.36
2.	Mathew Chandy	15,741,408	16.38
3.	Mathew George	15,236,384	15.85
4.	Mathew Antony Joseph	16,835,664	17.51

[^] Includes Equity Shares to be allotted pursuant to the exercise of all outstanding options that are vested as on the date of this Draft Red Herring Prospectus, under the ESOP Schemes, as applicable.

Shareholding of Directors in our Subsidiaries

For details of the shareholding of our Directors in our Subsidiaries, please see “*History and Certain Corporate Matters – Our Subsidiaries*” on page 239.

Interest of Directors

All our Directors, may be deemed to be interested to the extent of fees payable to them for attending meetings of our Board or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses, if any, payable to them by our Company under our Articles of Association and their respective appointment letters, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. For further details, see “*Other Financial Information – Related Party Transactions*” on page 350.

Our Directors may also be deemed to be interested to the extent of Equity Shares, if any (together with dividends and other distributions in respect of such Equity Shares), held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives.

Our Directors may also be deemed to be interested to the extent of any directorships or shares held by them in our Subsidiaries

Our Directors may also be deemed to be interested to the extent of any shares held by them in our Company.

None of our Directors have any interest in any property acquired or proposed to be acquired by our Company. Except for Jacob Joseph George, Mathew Chandy, Mathew George and Mathew Antony Joseph, who are also our Promoters, none of our Directors have any interest in the promotion or formation of our Company.

Our Directors are also directors on the boards, or are shareholders, kartas, trustees, proprietors, members or partners, of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For further details, see “*Other Financial Information – Related Party Transactions*” on page 350.

Except to the extent of the sale of Equity Shares in the Offer for Sale by the Promoter Selling Shareholders, who are also Directors of our Company, there is no material existing or anticipated transaction whereby Directors will receive any portion of the proceeds from the Offer.

Except as stated in “*Restated Consolidated Financial Information*” on page 269, no amount or benefit has been paid or given within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given to any of our Directors.

Except as disclosed in “*Our Promoters and Promoters Group - Interests of Promoters and common pursuits*” on page 265, and for the lease of the land on which our Registered Office is situated, owned by VEPL, one of our Group Companies, in which Jacob Joseph George and Mathew Antony Joseph are shareholders and also Jacob Joseph George, Mathew Chandy, Mathew George and Mathew Antony Joseph serve as directors, none of our Directors have any other interest in our Company or in any transaction by our Company including, for acquisition of land, construction of buildings or supply of machinery.

None of our Directors have availed loans from our Company.

Changes in the Board in the last three years

Details of the changes in our Board in the last three years preceding the date of this Draft Red Herring Prospectus are set forth below:

Name	Date of Appointment/ Re-appointment/ Re-designation/ Cessation	Reason
Anusha Mahalingam	October 6, 2025	Appointment as an Independent Director
Anshul Jain	October 3, 2025	Cessation as a nominee director
Stanley Kunjippalu	October 1, 2025	Cessation as a director
Shreyans Daga	September 22, 2025	Appointment as an Independent Director
Jacob Joseph George	September 9, 2025	Re-designated as the Chairman and Managing Director
Mathew Chandy	September 9, 2025	Re-designated as a Whole-time Director
Mathew George	September 9, 2025	Re-appointment as a Whole-time Director
Mathew Antony Joseph	September 9, 2025	Re-appointment as a Whole-time Director
Pawan Agrawal	September 9, 2025	Appointment as an Independent Director
Amita Maheshwari	September 9, 2025	Appointment as an Independent Director
Mathew Chandy	January 18, 2023	Re-appointment as the Managing Director
Mathew George	January 18, 2023	Re-appointment as a Whole-time Director
Mathew Antony Joseph	January 18, 2023	Re-appointment as a Whole-time Director
Jacob Joseph George	March 1, 2022	Re-appointment as a Whole-time Director

Note: This does not include regularization of Directors.

Borrowing powers of our Board of Directors

Pursuant to resolutions passed by our Board and the Shareholders at their meeting each dated September 9, 2025, our Board is authorized to borrow from time to time as they may deem fit, any sum or sums of money up to ₹ 5,000.00 million on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured and if secured, whether by way of mortgage, charge hypothecation, lien, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the company's assets and effects or properties whether movable or immovable or stock in process and debts and advances, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining un-discharged at any given point of time, exceeds the aggregate, for the time being, of the paid-up share capital, free reserves, that is to say, reserves not set apart for any specific purpose and securities premium.

Corporate governance

The provisions of the SEBI Listing Regulations with respect to corporate governance will be applicable to us immediately upon the listing of the Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable provisions of the SEBI Listing Regulations, and the Companies Act, in respect of corporate governance including the constitution of our Board and committees thereof and formulation and adoption of policies. The corporate governance framework is based on an effective independent Board, separating the Board's supervisory role from the executive management team and constitution of the Board committees, as required under law.

As on the date of this Draft Red Herring Prospectus, our Board comprises eight Directors including one Chairman and Managing Director, three Whole-time Directors and four Independent Directors, including two women Independent Directors. In compliance with Section 152 of the Companies Act, not less than two-thirds of the Directors (excluding Independent Directors and Managing Director) are liable to retire by rotation.

Committees of our Board

The Board of Directors function either as a full board, or through various committees constituted to oversee specific operational areas. In addition to the Committees described below, our Board of Directors may, from time to time, constitute Committees for various functions. Details of the Committees as on the date of this Draft Red Herring Prospectus are set forth below:

Audit Committee

The members of the Audit Committee are:

Sr. No.	Name of Director	Designation on Board	Committee Designation
1.	Pawan Agrawal	Independent Director	Chairman
2.	Amita Maheshwari	Independent Director	Member

Sr. No.	Name of Director	Designation on Board	Committee Designation
3.	Jacob Joseph George	Chairman and Managing Director	Member

The Audit Committee was constituted at a meeting of our Board held on October 6, 2025. The scope and functions of the Audit Committee is in accordance with the Section 177 of the Companies Act and SEBI Listing Regulations and its terms of reference as stipulated pursuant to a resolution dated October 6, 2025 passed by our Board are set forth below:

- (a) oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (b) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (d) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - i. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - ii. changes, if any, in accounting policies and practices and reasons for the same;
 - iii. major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. significant adjustments made in the financial statements arising out of audit findings;
 - v. compliance with listing and other legal requirements relating to financial statements;
 - vi. disclosure of any related party transactions; and
 - vii. Qualifications/ modified opinion(s) in the draft audit report.
- (e) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (f) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
- (g) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (h) formulating a policy on related party transactions, which shall include materiality of related party transactions;
- (i) approval or any subsequent modification of transactions of the Company with related parties;

Explanation: The term "related party transactions" shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act.
- (j) review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- (k) scrutiny of inter-corporate loans and investments;
- (l) valuation of undertakings or assets of the Company, wherever it is necessary;
- (m) evaluation of internal financial controls and risk management systems;
- (n) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (o) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (p) discussion with internal auditors of any significant findings and follow up there on;

- (q) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (r) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (s) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (t) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- (u) to review the functioning of the whistle blower mechanism;
- (v) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (w) carrying out any other function as is mentioned in the terms of reference of the audit committee;
- (x) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments; and
- (y) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
- (z) approving the key performance indicators (“KPIs”) for disclosure in the offer documents, and approval of KPIs once every year, or as may be required under applicable law;
- (aa) monitoring the end use of funds raised through public offers and related matters.
- (bb) overseeing a vigil mechanism established by the Company, providing for adequate safeguards against victimisation of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee for directors and employees to report their genuine concerns or grievances;
- (cc) carrying out any other functions and roles as provided under the Companies Act, the SEBI Listing Regulations, SEBI ICDR Regulations, each as amended and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties; and
- (dd) to carry out such other functions as may be specifically referred to the Audit Committee by the Board and/or other committees of directors of the Company.

The Audit Committee shall mandatorily review the following information:

- (a) management discussion and analysis of financial condition and results of operations;
- (b) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (c) internal audit reports relating to internal control weaknesses; and
- (d) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (e) statement of deviations:
 - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations, as amended.
 - ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations, as amended.
- (f) Such information as may be prescribed under the Companies Act, and the rules thereunder, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

Sr. No.	Name of Director	Designation on Board	Committee Designation
1.	Amita Maheshwari	Independent Director	Chairperson
2.	Shreyans Daga	Independent Director	Member
3.	Pawan Agrawal	Independent Director	Member

The Nomination and Remuneration Committee was constituted at a meeting of our Board held on October 6, 2025. The scope and functions of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee include the following:

- (a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees.
- (b) formulation of criteria for evaluation of performance of independent directors and the Board;
- (c) for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - i. use the services of an external agencies, if required;
 - ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - iii. consider the time commitments of the candidates.
- (d) devising a policy on Board diversity;
- (e) identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and specifying the manner for effective evaluation of performance of Board, its committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- (f) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (g) recommend to the Board, all remuneration, in whatever form, payable to senior management; and
- (h) carrying out any other activities as may be delegated by the Board and functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Stakeholders' Relationship Committee

The members of the Stakeholders Relationship Committee are:

Sr. No.	Name of Director	Designation on Board	Committee Designation
1.	Pawan Agrawal	Independent Director	Chairman
2.	Jacob Joseph Geroje	Chairman and Managing Director	Member
3.	Mathew Antony Joseph	Whole-time Director	Member

The Stakeholders Relationship Committee constituted by way of resolution passed by our Board on October 6, 2025. The scope and functions of the Stakeholders Relationship Committee is in accordance with the Section 178 of the Companies Act and SEBI Listing Regulations. The terms of reference of the Stakeholders Relationship Committee include the following:

- (a) resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

- (b) review of measures taken for effective exercise of voting rights by shareholders;
- (c) review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent;
- (d) review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- (e) carrying out any other functions required to be carried out by the Stakeholders Relationship Committee as contained in the Companies Act, SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Risk Management Committee

The members of the Risk Management Committee are:

Sr. No.	Name of Director	Designation in the Company	Committee Designation
1.	Jacob Joseph George	Chairman and Managing Director	Chairman
2.	Pawan Agrawal	Independent Director	Member
3.	Sridhar Balakrishnan	Chief Executive Officer	Member

The Risk Management Committee was constituted by way of resolution passed by our Board on October 11, 2025. The scope and functions of the Risk Management Committee is in accordance with the SEBI Listing Regulations. The terms of reference of the Risk Management Committee include the following:

- (a) to formulate a detailed risk management policy which shall include:
 - i. a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;
 - ii. measures for risk mitigation including systems and processes for internal control of identified risks; and
 - iii. business continuity plan.
- (b) to ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (c) to monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (d) to periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (e) to keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;
- (f) the appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- (g) any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Corporate Social Responsibility Committee

Our Corporate Social Responsibility Committee was constituted at a meeting of our Board held on June 17, 2015, and was last re-constituted at a meeting of our Board held on October 6, 2025. The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act.

The members of the Corporate Social Responsibility Committee are:

Sr. No.	Name of the Director	Designation on Board	Committee Designation
1.	Mathew George	Whole-time Director	Chairman
2.	Mathew Chandy	Whole-time Director	Member
3.	Mathew Antony Joseph	Whole-time Director	Member

Sr. No.	Name of the Director	Designation on Board	Committee Designation
4.	Amita Maheshwari	Independent Director	Member

The terms of reference of the Corporate Social Responsibility Committee include the following:

- (a) To formulate and recommend to the Board, a corporate social responsibility policy stipulating, amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;
- (b) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- (c) To recommend the amount of expenditure to be incurred for the corporate social responsibility activities, being at least two-percent of the average net profits of the Company made during the three immediately preceding financial years in pursuance of its corporate social responsibility and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
- (d) To formulate and recommend to the Board, an annual action plan in pursuance to the corporate social responsibility policy, which shall include the following, namely:
- (e) the list of corporate social responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in the Schedule VII of the Companies Act, 2013;
- (f) the manner of execution of such projects or programmes as specified in Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014;
- (g) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- (h) monitoring and reporting mechanism for the implementation of the projects or programmes; and
- (i) details of need and impact assessment, if any, for the projects undertaken by the company.
- (j) Provided that the Board may alter such plan at any time during the financial year, as per the recommendations of the Corporate Social Responsibility Committee, based on the reasonable justification to that effect.
- (k) Identifying and appointing the corporate social responsibility team of the Company and delegate responsibilities to such team and supervise proper execution of all delegated responsibilities;
- (l) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- (m) To take note of the compliances made by implementing agency (if any) appointed for the corporate social responsibility of the Company;
- (n) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred or perform such responsibilities as may be required by the corporate social responsibility committee in terms of the provisions of Section 135 of the Companies Act; and
- (o) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

IPO Committee

The IPO committee was constituted by our Board pursuant to a resolution dated October 6, 2025 passed by our Board.

The members of the IPO Committee are:

Sr. No.	Name of Director	Designation on Board	Committee Designation
1.	Jacob Joseph George	Chairman and Managing Director	Chairperson
2.	Mathew Chandy	Whole-time Director	Member
3.	Amita Maheshwari	Independent Director	Member

The terms of reference as stipulated pursuant to a resolution dated October 6, 2025 passed by our Board are set forth below:

- (a) To take on record the number of Equity Shares proposed to be offered by the Selling Shareholder(s);

- (b) To make applications to, seek clarifications, obtain approvals and seek exemptions from, where necessary, the SEBI, the Stock Exchanges, the RoC, the relevant registrar of companies, the Reserve Bank of India, and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications / amendments as may be required in the draft red herring prospectus, the red herring prospectus and the prospectus as applicable;
- (c) To finalize, settle, approve, adopt and file in consultation with the BRLMs appointed for the Offer where applicable, the draft red herring prospectus, the red herring prospectus and the prospectus in connection with the Offer, the preliminary and final international wrap, abridged prospectus, and any amendments, supplements, notices, addenda or corrigenda thereto (“**Offer Documents**”), and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/corrections/ modifications as may be required by SEBI, the RoC or any other relevant governmental and statutory authorities or in accordance with applicable laws;
- (d) To decide, negotiate and finalise in consultation with the BRLMs on the actual Offer size, timing (including opening and closing dates), pricing, discount, reservation and all the terms and conditions of the Offer and transfer of the Equity Shares pursuant to the Offer, including without limitation the number of the Equity Shares to be issued or offered pursuant to the Offer including any reservation, green shoe option and any rounding off in the event of any oversubscription, the price band (including offer price for anchor investors), any revision to the price band, bid period, minimum bid lot for the purpose of bidding, final Offer price after bid closure, to finalize the basis of allocation and to allot the Equity Shares to the successful allottees and credit Equity Shares to the demat accounts of the successful allottees in accordance with applicable law, determine the anchor investor portion, and to do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including to make any amendments, modifications, variations or alterations in relation to the Offer in accordance with applicable laws;
- (e) To appoint, instruct and enter into and terminate arrangements with the BRLMs, and in consultation with BRLM(s), appoint and enter into agreements with intermediaries including underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrars, sponsor bank(s), legal advisors, auditors, advertising agency, independent chartered accountants, industry expert, depositories, custodians, printers, chartered engineers, and any other agencies or persons or intermediaries in relation to the Offer, including any successors or replacements thereof, and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the BRLMs and negotiation, finalization, execution and remuneration of all such intermediaries/agencies including the payments of commissions, brokerages, etc.;
- (f) To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the draft red herring prospectus, the red herring prospectus, the prospectus, the preliminary and final international wrap, offer agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow agreement, agreements with the registrar to the Offer, agreement with the advertising agency in relation to the Offer, bid-cum-application forms, confirmation of allotment notes and all other documents, deeds, agreements and instruments whatsoever with the registrar to the Offer, legal advisors, auditors, advertising agency, stock exchange(s), BRLMs, and any other agencies/intermediaries in connection with the Offer, and any notices, supplements and corrigenda thereto, with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Offer;
- (g) To decide, negotiate and finalize, in consultation with the BRLMs, all matters regarding the Pre-IPO Placement, if any, including entering into discussions and execution of all relevant documents with Investors and rounding off, if any, in the event of oversubscription and in accordance with applicable laws;
- (h) to take all actions as may be necessary and authorised in connection with the Offer for Sale component of the Offer and to approve and take on record the approval of the Selling Shareholder(s) for offering their Equity Shares in the Offer for Sale and the transfer of Equity Shares in the offer for sale and the quantum in terms of such number of equity shares offered by the Selling Shareholder(s) in the Offer for Sale, and to allow revision of the Offer for Sale portion in case any selling shareholder(s) decides to revise it in accordance with applicable laws;
- (i) to authorize the maintenance of a register of holders of the Equity Shares;
- (j) To make applications to, seek clarifications, exemptions and obtain approvals and seek exemptions from, if necessary, the stock exchanges, the Reserve Bank of India, the SEBI, the relevant RoC or any other statutory or governmental authorities in connection with the Offer as required by applicable law, and to accept, on behalf of the Board, such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, exemptions, permissions and sanctions and, wherever necessary, incorporate such modifications / amendments / alterations / corrections as may be required in the draft red herring prospectus, the red herring prospectus and the prospectus;

- (k) To seek, if required, the consent and/or waiver of the lenders of the Company and its subsidiaries, industry data providers, experts to the Offer, customers, suppliers, strategic partners, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents and/or waivers that may be required in relation to the Offer or any actions connected therewith;
- (l) To open and operate bank accounts in terms of the cash escrow and sponsor bank agreement with a scheduled bank to receive applications along with application monies, for handling of refunds, and for the purposes set out in Section 40(3) of the Companies Act, 2013, as amended, in respect of the Offer, and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- (m) To determine the amount, the number of Equity Shares, terms of the issue of the equity shares, the categories of investors for the Pre-IPO Placement, if any including the execution of the relevant documents with the investors, in consultation with the BRLMs, and rounding off, if any, in the event of oversubscription and in accordance with Applicable Laws;
- (n) To determine and finalise the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the Offer (including issue price for anchor investors), reservation or discount (if any), approve the basis of allotment and confirm allocation/allotment of the equity shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus, in consultation with the BRLM(s) and the Selling Shareholders (to the extent applicable) and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including any alteration, addition or making any variation in relation to the Offer;
- (o) all actions as may be necessary in connection with the Offer, including extending the Bid/Offer period, revision of the price band, allow revision of the Offer for Sale portion in case any Selling Shareholder decides to revise it, in accordance with the applicable laws;
- (p) To authorize and approve in consultation with the BRLM(s), incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;
- (q) To accept and appropriate the proceeds of the Offer in accordance with the Applicable Laws;
- (r) To approve the implementation of any corporate governance requirements, approving suitable policies on insider trading, whistle-blowing, risk management, and any other policies, code of conduct for the Board, officers and other employees of the Company that may be considered necessary by the Board or the IPO Committee or as may be required under the Applicable Laws or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and listing agreements to be entered into by the Company with the relevant stock exchanges, to the extent allowed under Applicable Laws;
- (s) To finalise and issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchanges, with power to authorize one or more officers of the Company to sign all or any of the aforestated documents;
- (t) To undertake as appropriate such communication with the Selling Shareholders as required under applicable law, including inviting the existing shareholders of the Company to participate in the Offer by making an offer for sale in relation to such number of Equity Shares held by them as may be deemed appropriate, and which are eligible for the offer for sale in accordance with the SEBI ICDR Regulations, as amended, take all actions as may be necessary and authorised in connection with the Offer for Sale and to approve and take on record the approval of the Selling Shareholder(s) for offering their Equity Shares in the Offer for Sale and the transfer of Equity Shares in the Offer for Sale;
- (u) To approve the expenditure in relation to the Offer;
- (v) To take such action, give such directions, as may be necessary or desirable as regards the Offer and to do all such acts, matters, deeds and things, including but not limited to the allotment of Equity Shares against the valid applications received in the Offer, as are in the best interests of the Company;
- (w) To authorize and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer in accordance with the SEBI ICDR Regulations, Companies Act, as amended and other Applicable Laws;

- (x) To issue advertisements in such newspapers and other media as it may deem fit and proper in accordance with the SEBI ICDR Regulations, Companies Act, 2013, as amended and other Applicable Laws;
- (y) To decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any;
- (z) To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, in consultation with the Selling Shareholders and BRLMs, including without limitation, to determine the anchor investor portion and allocation to anchor investors, to finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, credit of Equity Shares to the demat accounts of the successful allottees, share certificates in accordance with the relevant rules, in consultation with the BRLMs in accordance with Applicable Laws;
- (aa) To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and/ or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of the Company to execute all or any of the aforesaid documents;
- (bb) To make in-principle and final applications for listing and trading of the Equity Shares in one or more stock exchange(s) for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of the Company where necessary and to take all such other actions as may be necessary in connection with obtaining such listing;
- (cc) To settle all questions, difficulties or doubts that may arise in relation to the Offer, including issue, allotment, terms of the Offer, utilisation of the Offer proceeds and matters incidental thereto as it may deem fit;
- (dd) To submit undertaking/certificates or provide clarifications to the SEBI, Registrar of Companies, Kerala at Ernakulam and the relevant stock exchange(s) where the Equity Shares are to be listed;
- (ee) To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing;
- (ff) To execute and deliver and/or to authorise and empower officers of the for and on behalf of the Company (each, an Authorised Officer) to execute and deliver, on a several basis, any and all other documents or instruments and any declarations, affidavits, certificates, consents, agreements as well as amendments or supplements thereto as may be required from time to time or that the Authorized Officers consider necessary, appropriate or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreements, the registrar agreement, the depositories agreements, the offer agreement, the underwriting agreement, the syndicate agreement, the cash escrow and sponsor bank agreement and confirmation of allocation notes, with the BRLMs, syndicate members, bankers to the Offer, registrar to the Offer, bankers to the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, advertising agencies, and all such persons or agencies as may be involved in or concerned with the Offer, if any and any and all other documents or instruments and doing or causing to be done any and all acts or things as the IPO Committee and/or Authorised Officer may deem necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee and/or Authorised Officer shall be conclusive evidence of the authority of the IPO Committee and/or Authorised Officer and Company in so doing.
- (gg) Deciding, negotiating and finalising the pricing at which the Equity Shares are offered, issued, allocated, transferred and/or allotted to investors in the Offer in accordance with applicable regulations in consultation with the BRLMs and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors and all other related matters regarding the execution of the relevant documents with the investors in consultation with the BRLMs and in accordance with Applicable Laws;
- (hh) to obtain necessary certifications, advice and opinion from the consultants, advisors, auditors, legal and/or technical experts with regard to the Offer, as it may in its absolute discretion deem fit;
- (ii) To submit undertakings/certificates or provide clarifications to the SEBI and the stock exchanges where the Equity Shares of the Company are proposed to be listed;

- (jj) To approve the relevant restated financial statements to be issued in connection with the Offer;
- (kk) To if necessary, withdraw the draft red herring prospectus or the red herring prospectus or to decide to not proceed with the Offer at any stage in accordance with Applicable Laws and in consultation with the BRLMs; and
- (ll) To delegate any of its powers set out hereinabove, as may be deemed necessary and permissible under Applicable Laws to the officials of the Company.

Management Organisation Chart

Board of Directors



CMD – Chairman and Managing Director, CSO – Chief Sales Officer, COO – Chief Operating Officer, CMO – Chief Marketing Officer, CIO – Chief Information Officer

Key Managerial Personnel

In addition to Jacob Joseph George, the Chairman and Managing Director and our Whole-time Directors, Mathew Chandy, Mathew George and Mathew Antony Joseph, whose details are set out under “- *Brief biographies of Directors*” on page 245 the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus, are set forth below:

Sridhar Balakrishnan is the Chief Executive Officer of our Company. He was appointed as Chief Executive Officer of our Company with effect from November 20, 2023. He holds a bachelor’s degree of technology in electronics engineering from Banaras Hindu University and a post graduate diploma in business management from XLRI Jamshedpur. He was previously associated with ACC Limited, Star India Private Limited and Marico Limited. He has several years of work experience in the business finance, operations and sales sector. In our Company, he is responsible for developing the vision and roadmap of the Company’s business, driving growth strategy and market expansion and enhancing customer experience.

He received a remuneration of ₹ 39.06 million in Fiscal 2025 from our Company.

Rajat Rastogi is the Chief Financial Officer of our Company. He was appointed as Chief Finance Officer of our Company with effect from September 7, 2022. He holds a bachelor’s degree of commerce (honours) from University of Delhi and is a member of the Institute of Chartered Accountants of India and has completed the final examinations held by the Institute of Chartered Accountants of India. He was previously associated with Lovelock and Lewes, Fosroc Chemicals (India) Private Limited, CocaCola India Private Limited, Flipkart Internet Private Limited, Home Interior Designs E-Commerce Private Limited and Hiveloop Internet Private Limited. He has several years of work experience in the finance and accounting sector. In our Company, he is responsible for processes, ensuring compliance with all legal requirements and Company policies, managing relationships with existing investors.

He received a remuneration of ₹ 14.71 million in Fiscal 2025 from our Company.

Solly Mathew is the Company Secretary and Compliance Officer of our Company. She joined our Company on December 12, 2001. She holds a bachelor’s degree of science from Mahatma Gandhi University. She is a fellow member company secretary of the Institute of Company Secretaries of India. She has several years of work experience in the secretarial and legal compliance sector. In our Company, she is responsible for ensuring compliance of statutory and regulatory requirements, supporting the Board and the executive committee with governance and overseeing corporate secretarial functions.

She received a remuneration of ₹ 2.70 million in Fiscal 2025 from our Company.

Senior Management of our Company

In addition to Rajat Rastogi, Chief Financial Officer and Solly Mathew, Company Secretary and Compliance Officer of our Company, whose details are provided in “- *Key Managerial Personnel*” on page 261, the details of our other Senior Management as on the date of this Draft Red Herring Prospectus are set forth below:

Mathew Thomas is the President and Business Head of our Company. He has been associated with us since August 13, 2014 and has been associated with us as the finance head in the past and is currently serving as the President and Business Head of our Company. He holds a bachelor’s degree of commerce from Mahatma Gandhi University and has completed the final examinations held by the Institute of Chartered Accountants of India. He has several years of work experience in the finance and accounting sector. He is responsible for managing branded foam, original equipment manufacturer and institutional accounts, and strengthening long-term partnerships of our Company. He received a remuneration of ₹15.75 million in Fiscal 2025 from our Company.

Sudhanshu Krishna is the Chief Sales Officer - Consumer Business of our Company. He was appointed as Chief Sales Officer – Consumer Business of our Company with effect from May 23, 2024. He holds a bachelor’s degree of commerce (honours) from Banaras Hindu University and master’s degree in business administration from Symbiosis International Educational Centre. Prior to joining our Company, he was associated with Nivea India Private Limited. He has several years of work experience in the sales sector. He is responsible for driving overall business performance across business to consumer channel including general trade, COCO Stores, and e-commerce and ensuring topline growth, profitability and strategic expansion of our Company. He received a total remuneration of ₹13.93 million in Fiscal 2025 from our Company.

Girish Appu is the Chief Operating Officer of our Company. He was appointed as Chief Operating Officer of our Company with effect from November 2, 2023. He holds a bachelor’s degree of engineering in mechanical engineering from Bharathiar University and an executive post graduate diploma in management from Indian Institute of Management, Kozhikode Society. Prior to joining our Company, he was associated with Pricol Limited, Motorola India Private Limited and 3M India Limited. He has several years of work experience in the business operations sector. He is responsible for developing operational strategies in collaboration with business heads. He received a total remuneration of ₹17.77 million in Fiscal 2025 from our Company.

Ullas Vijay is the Chief Marketing Officer of our Company. He was appointed as Chief Marketing Officer of our Company with effect from May 27, 2024. He holds a bachelor's degree of engineering from Sardar Patel University and master's degree in business administration from Symbiosis International University, Pune. Prior to joining our Company, he was associated with ITC Limited, Ferrero India (Private) Limited, Perfetti Van Melle India Private Limited and Bata India Limited. He has several years of work experience in the marketing sector. He is responsible for designing marketing strategies and operational plans aligned with the business goals. He received a total remuneration of ₹11.41 million in Fiscal 2025 from our Company.

Anup Vijay Daware is the Chief Information Officer of our Company. He was appointed as Chief Information Officer of our Company with effect from March 11, 2024. He holds a bachelor's degree of computer science from University of Pune and a master's degree of computer applications from University of Pune. Prior to joining our Company, he was associated with Hector Beverages Private Limited, Marico Limited, Decos Software Development Private Limited and Persistent Systems Limited. He has several years of work experience in the information technology. He is responsible for overseeing the information technology group of our Company. He received a total remuneration of ₹10.35 million in Fiscal 2025 from our Company.

Relationship between our Key Managerial Personnel and Senior Management

Except as disclosed under “– *Relationship between our Directors, Key Managerial Personnel and Senior Management*” on page 246, none of our Key Managerial Personnel or Senior Management are related to any of the Directors of our Company.

Status of Key Managerial Personnel and Senior Management

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Shareholding of Key Managerial Personnel and Senior Management

Except as disclosed in “– *Shareholding of our Directors in our Company*” on page 249, none of our Key Managerial Personnel and Senior Management hold any Equity Shares in our Company.

Bonus or profit-sharing plans for our Key Managerial Personnel and Senior Management

Except as disclosed in “– *Bonus or profit-sharing plan of our Directors*” on page 248, none of our Key Managerial Personnel or Senior Management are entitled to any bonus or profit-sharing plans of our Company.

Interests of Key Managerial Personnel and Senior Management

Other than as disclosed in – “*Interest of Directors*” and – “*Our Promoters and Promoter Group - Interests of Promoters and common pursuits*” on pages 249 and 265, the Key Managerial Personnel and Senior Management of our Company do not have any interest in our Company except to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Contingent and deferred compensation payable to our Key Managerial Personnel and Senior Management

There is no contingent or deferred compensation payable to our Key Managerial Personnel or Senior Management or Directors, which does not form part of their remuneration.

Arrangements or understandings with major shareholders, customers, suppliers or others

Except for Jacob Joseph George, Mathew Chandy, Mathew George and Mathew Antony Joseph, who have been appointed to the Board pursuant to the rights available to our Promoters under the SHA, there is no arrangement or understanding with the major Shareholders, customers, suppliers or others, pursuant to which any Key Managerial Personnel or Senior Management was selected as member of senior management.

Service Contracts with Key Managerial Personnel and Senior Management

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, there are no service contracts executed by our Company with the Key Managerial Personnel and Senior Management pursuant to which they are entitled to any benefits upon termination of their employment.

Changes in Key Managerial Personnel and Senior Management

Except as disclosed below and as disclosed in “– *Changes in the Board in the last three years*”, on page 250, there have been no changes in the Key Managerial Personnel or Senior Management in the last three years:

Name	Designation	Date of Change	Reason for Change
Ullas Vijay	Chief Marketing Officer	May 27, 2024	Appointment as Chief Marketing Officer
Sudhanshu Krishna	Chief Sales Officer	May 23, 2024	Appointment as Chief Sales Officer
Anup Daware	Chief Information Officer	March 11, 2024	Appointment as Chief Information Officer
Sridhar Balakrishnan	Chief Executive Officer	November 20, 2023	Appointment as Chief Executive Officer
Girish Appu	Chief Operating Officer	November 2, 2023	Appointment as Chief Operating Officer
Rajat Rastogi	Chief Financial Officer	September 7, 2022	Appointment as Chief Financial Officer
Pradeep Kumar Mishra	Chief financial officer	September 3, 2022	Cessation as chief financial officer

Payment or benefit to Key Managerial Personnel and Senior Management

No non-salary amount or benefit has been paid or given to any officer of our Company including Key Managerial Personnel or Senior Management, within the two years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment or any employee stock options, for services rendered as officers of our Company.

Employee Stock Options or Stock Appreciation Rights

For details of employee stock options provided to our Key Managerial Personnel and Senior Management, see “*Capital Structure – ESOP Schemes of our Company*” on page 110.

OUR PROMOTERS AND PROMOTER GROUP

Jacob Joseph George, Mathew Chandy, Mathew George and Mathew Antony Joseph are the Promoters of our Company.

As on date of this Draft Red Herring Prospectus, our Promoters, in aggregate, hold 63,536,112 Equity Shares of face value of ₹1 each in our Company, representing 66.10% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company on a fully diluted basis.

For further details, see “*Capital Structure – Shareholding of our Promoters and Promoter Group*” on page 106.

Details of our Promoters



Jacob Joseph George, born on March 16, 1988, aged 37 years, is one of our Promoters and the Chairman and Managing Director of our Company.

For further details in relation to his personal address, educational, qualifications, experience in the business or employment, positions/posts held in the past and other directorships, special achievements, business and other activities, see “*Our Management – Brief Biographies of our Directors*” beginning on page 245.

His PAN is AMBPJ4581G.



Mathew Chandy, born on April 20, 1978, aged 47 years, is one of our Promoters and a Whole-time Director of our Company.

For further details in relation to his personal address, educational, qualifications, experience in the business or employment, positions/posts held in the past and other directorships, special achievements, business and other activities, see “*Our Management – Brief Biographies of our Directors*” beginning on page 245.

His PAN is ACOPC6169Q.



Mathew George, born on September 9, 1984, aged 41 years, is one of our Promoters and a Whole-time Director of our Company.

For further details in relation to his personal address, educational, qualifications, experience in the business or employment, positions/posts held in the past and other directorships, special achievements, business and other activities, see “*Our Management – Brief Biographies of our Directors*” beginning on page 245.

His PAN is AQRPM4160E.



Mathew Antony Joseph, born on October 15, 1984, aged 41 years, is one of our Promoters and a Whole-time Director of our Company.

For further details in relation to his personal address, educational, qualifications, experience in the business or employment, positions/posts held in the past and other directorships, special achievements, business and other activities, see “*Our Management – Brief Biographies of our Directors*” beginning on page 245.

His PAN is AFFPJ0982C.

Our Company confirms that the PAN, bank account numbers, passport numbers, Aadhar card numbers and driving license numbers of our Promoters have been submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Other ventures of our Promoters

Except as disclosed under “*History and Certain Corporate Matters – Our Subsidiaries*”, other than our Subsidiaries, our Promoters do not have any interest in a venture that is involved in any activities similar to those conducted by our Company.

Change in the control of our Company

There has been no change in the control (as defined under Regulation 2(1)(i) of the SEBI ICDR Regulations) of our Company in the last five years preceding the date of this Draft Red Herring Prospectus. Pursuant to its resolution dated October 11, 2025, our Board identified Jacob Joseph George, Mathew Chandy, Mathew George and Mathew Antony Joseph as the Promoters of our Company.

Interests of Promoters and common pursuits

Our Promoters are interested in our Company to the extent that (i) they are the Promoters of our Company; and (ii) to the extent of their direct and indirect shareholding in our Company; including the dividend payable, if any, and any other distributions in respect of the Equity Shares held by them in our Company, from time to time. For details of the shareholding of our Promoters in our Company, see “*Capital Structure*” on page 85.

Our Promoters are also the Executive Directors of our Company and may be deemed to be interested to the extent of their remuneration and reimbursement of expenses, payable to them, if any, in their capacity as Directors. For other details, see “*Our Management*” on page 243.

No sum has been paid or agreed to be paid to our Promoters or to the firms or companies in which our Promoters are interested as a member in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as a director or promoter or otherwise for services rendered by our Promoters or by such firms or companies in connection with the promotion or formation of our Company.

Further, our Promoters are also directors on the boards, or are shareholders, kartas, trustees, proprietors, members or partners of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For further details of interest of our Promoters in our Company, see “*Other Financial Information – Related Party Transactions*” and “*Our Management – Interest of Directors*” on pages 350 and 249.

Our Promoters have no interest in any property acquired by our Company during the three years immediately preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery, etc.

Further, except as stated in “*Offer Document Summary – Summary of Related Party Transactions*” on page 24 no amount or benefit has been paid or given to our Promoters or any of the members of the Promoter Group during the two years preceding the filing of this Draft Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoters or any of the members of the Promoter Group.

Material guarantees given by our Promoter to third parties with respect to Equity Shares of Our Company

Our Promoters have not given any material guarantees to any third party with respect to the Equity Shares as on date of this Draft Red Herring Prospectus.

Companies and firms with which our Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any company or firm in the last three years immediately preceding the date of this Draft Red Herring Prospectus.

Confirmations

Our Promoters and members of our Promoter Group have not been declared Wilful Defaulters or Fraudulent Borrowers.

Our Promoters and members of our Promoter Group have not been prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other securities market regulator or any other authority/court.

Our Promoters are not and have not been promoters or directors of any other company which is debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other securities market regulator or any other regulatory or governmental authority, court or tribunal in India or abroad.

Our Promoters have not been declared as fugitive economic offenders under the Fugitive Economic Offenders Act, 2018.

Promoter Group

The following individuals and entities constitute our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations in addition to our Promoters:

Natural persons who are part of our Promoter Group

The following table sets forth details of the natural persons who are part of our Promoter Group (due to their relationship with our Promoters):

Sr. No.	Name of the Promoter	Name	Relationship
1.	Jacob Joseph George	Zenobia Imtiaz	Spouse
		George Louis Mathew	Father
		Mallu George	Mother
		Mathew George	Brother
		Mariam Alphonsa Thomas	Sister
		Isa Jacob	Son
		AK Imtiaz	Spouse's father
		Raseena Imtiaz	Spouse's mother
		Zeba Imtiaz	Spouse's sister
2.	Mathew Chandy	Talha Salaria	Spouse

Sr. No.	Name of the Promoter	Name	Relationship
		Annie Chandy Mathew	Mother
		Miriam Chandy Menacherry	Sister
		Shagufta Ahmad Salaria	Spouse's mother
		Shaheen Saadat Salaria	Spouse's brother
		Muzamil Sadat Salaria	Spouse's brother
3.	Mathew George	Mittu Antony	Spouse
		George Louis Mathew	Father
		Mallu George	Mother
		Jacob Joseph George	Brother
		Mariam Alphonsa Thomas	Sister
		Aaron George Mathew	Son
		Nathan Antony Mathew	Son
		Luca Joseph Mathew	Son
		V J Antony	Spouse's father
		Sheela Antony	Spouse's mother
		Joseph Vattoly	Spouse's brother
4.	Mathew Antony Joseph	Teena Antony	Spouse's sister
		Meera Sabu	Spouse
		Sheela Joseph	Mother
		Joanna Mathew	Daughter
		Sabu Varghese	Spouse's father
		Mini Sabu	Spouse's mother
		Sandra Sabu	Spouse's sister

Entities forming part of our Promoter Group (which do not include our Subsidiaries)

1. Alterra Trading and Services Private Limited;
2. Ayubowan Enterprises Private Limited;
3. Coco-Latex Exports Private Limited;
4. Comfortek Advance Products LLP;
5. Essem Industries;
6. Filament Picture Private Limited;
7. Grand Annexe;
8. Grand Residency;
9. Grand Tourist Home;
10. Lapidary Foundation;
11. Lawyers At Work;
12. M.Foam Rubbers;
13. Joseph Mathew Family Private Trust;
14. M & M Family Private Trust;
15. Mangalam Global Media Private Limited;
16. Mangalam Homes and Resorts Private Limited;
17. Mangalam Publications (India) Private Limited;
18. Mangalam Telecasting India Private Limited;
19. Mangalam Web Media Private Limited;
20. Mathew Chandy Family Trust;
21. Pallivathuckal Charitable Trust;
22. Penn Lofts LLC;
23. Ranul Enterprises Private Limited;
24. Salaria Investments LLC;
25. Vazhathoppil Enterprises Private Limited;
26. Zaden LLC; and
27. Zenobia & Jacob Family Private Trust.

DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders in the Annual General Meeting, at their discretion, subject to the provisions of the Articles of Association and the applicable laws including the Companies Act, read with the rules notified thereunder, and the SEBI Listing Regulations, each as amended. Further the Board shall also have the absolute power to declare interim dividend in compliance with the Act. The dividend distribution policy of our Company was approved and adopted by our Board on October 11, 2025.

We may retain all our future earnings, if any, for purposes to be decided by our Company, subject to compliance with the provisions of the Companies Act. The quantum of dividend, if any, will depend on a number of factors, including but not limited to financial commitments with respect to outstanding borrowings and interest thereon, financial requirement for business expansion and/or diversification, acquisition, etc., of new businesses, present and future capital expenditure plans of our Company including organic/ inorganic growth opportunities, our Company's liquidity position including its present and expected obligations, cost of borrowings, profits of the Company, past dividend trend of the Company and the industry, other corporate action options including, bonus issue, buy back of shares, and any other relevant or material factor as may be deemed fit by the Board. The external factors on the basis of which our Company may declare the dividend shall *inter alia* include the state of economy and capital markets requiring our Company to maintain liquidity, evaluation of whether there are any exceptional circumstances in the global market, regulatory changes including introduction of new or changes in existing tax or regulatory requirements (including dividend distribution tax) having significant impact on our Company's operations or finances. Additionally, the utilization of retained earnings shall be considered in a manner beneficial to the interest of the Company and its shareholders, based on factors such as strategic and long-term plans of the Company, future equity acquisitions, diversification opportunities, or any other criteria that may be considered relevant by the Board in this regard. In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under the loan or financing documents, our Company is currently a party to or may enter into from time to time.

There is no guarantee that any dividends will be declared or paid in the future. For details in relation to risks involved in this regard, see *“Risk Factors – Our Company may not be able to pay dividends in the future. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, profit after tax available for distribution, cash flows, working capital requirements and capital expenditure and the terms of our financing arrangements”* on page 60.

Our Company has not declared and paid any dividend during the period from July 1, 2025, until the date of this Draft Red Herring Prospectus and during the three months period ended June 30, 2025, and Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023.

SECTION V: FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors

Duroflex Limited (formerly known as Duroflex Private Limited)

30/6, NR Trident Tech Park,
Sector 6, HSR Main Road, HSR Layout,
Bengaluru, Karnataka, 560068, India

Dear Sirs,

1. We, B S R & Co. LLP, Chartered Accountants have examined the attached restated consolidated financial information of Duroflex Limited (formerly known as Duroflex Private Limited) (the “Company” or the “Issuer”) and its subsidiaries (the Company and its subsidiaries together referred to as the “Group”), comprising the restated consolidated statement of assets and liabilities as at 30 June 2025, 31 March 2025, 31 March 2024 and 31 March 2023, the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows for the three months period ended 30 June 2025 and for the years ended 31 March 2025, 31 March 2024 and 31 March 2023, the material accounting policies, and other explanatory information and notes (collectively, the “Restated Consolidated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on 11 October 2025 for the purpose of inclusion in the Draft Red Herring Prospectus (“DRHP”) prepared by the Company in connection with its proposed initial public offer of equity shares (“IPO”) prepared in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the “Act”);
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”) (the “Guidance Note”).
2. The Company’s Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India, BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”, together with BSE referred to “Stock Exchanges”) in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2(i)(a) to the Restated Consolidated Financial Information. The responsibility of respective Board of Directors of the companies included in the Group includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Financial Information taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 30 July 2025 in connection with the proposed IPO of equity shares of the Company;
 - b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
 - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed IPO.
4. These Restated Consolidated Financial Information have been compiled by the management from:
 - a) Audited special purpose consolidated interim financial statements of the Group as at and for the three months period ended 30 June 2025 prepared in accordance with the basis of preparation described in note 2(i)(a) to the Audited special purpose consolidated interim financial statements, which have been approved by the Board of Directors at their meeting held on 11 October 2025; and
 - b) Audited Consolidated financial statements of the Group as at and for the years ended 31 March 2025, 31 March 2024 and 31 March 2023 prepared in accordance with Indian Accounting Standards (“Ind AS”) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on 22 September 2025, 13 September 2024 and 24 November 2023, respectively.
5. For the purpose of our examination, we have relied on:
 - a) Auditor’s report issued by us dated 11 October 2025 on the special purpose consolidated interim financial statements of the Group as at and for the three months period ended 30 June 2025 as referred in Paragraph 4 (a) above.
 - b) Auditor’s report issued by us dated 22 September 2025, 13 September 2024 and 24 November 2023 on the consolidated financial statements of the Group as at and for the years ended 31 March 2025, 31 March 2024 and 31 March 2023 as referred in Paragraph 4 (b) above.

6. As indicated in our Auditor's reports referred above:

- a) we did not audit the financial statements of one subsidiary as at and for the year ended 31 March 2025 and two subsidiaries for the years ended 31 March 2024 and 31 March 2023 as mentioned in Annexure A, respectively whose share of total assets (before consolidation adjustments), total revenues (before consolidation adjustments), net cash inflows / (outflows) (before consolidation adjustments) included in the consolidated financial statements, for the relevant years is tabulated below. These financial statements which have been audited by other auditors, whose reports have been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors:

(Rs in million)

Particulars	As at and for the year ended 31 March 2025	As at and for the year ended 31 March 2024	As at and for the year ended 31 March 2023
Total assets (before consolidation adjustments)	0.83	1,024.50	1,762.80
Total revenue (before consolidation adjustments)	Nil	1,915.10	3,613.10
Net cash inflows/ (outflows) (before consolidation adjustments)	0.82	(33.30)	31.20

Our opinion on the consolidated financial statements is not modified in respect of these matters.

These other auditors of the material subsidiaries, as mentioned in Annexure B, have examined the restated financial information and have confirmed that the restated financial information:

- have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2024 and 31 March 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed by the Group as at and for the three months period ended 30 June 2025;
- does not contain any modification requiring adjustments. Moreover, matters in the Auditor's report, which do not require any corrective adjustments in the restated financial information have been disclosed in Part B of Annexure VI of the restated financial information; and
- have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the audit reports and examination reports submitted by the other auditors for the respective years, we report that the Restated Consolidated Financial Information:
- a. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2025, 31 March 2024 and 31 March 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three months period ended 30 June 2025;
 - b. does not contain any modification requiring adjustments. Moreover, matters in the auditor's report which do not require any corrective adjustments in the Restated Consolidated Financial Information have been disclosed in Part B of Annexure VI of the Restated Consolidated Financial Information; and
 - c. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
8. We have not audited any financial statements of the Group as of any date or for any period subsequent to 30 June 2025. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Group as of any date or for any period subsequent to 30 June 2025.
9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose consolidated interim financial statements and consolidated financial statements mentioned in paragraph 5 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India and Stock Exchanges in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

Vikash Gupta

Partner

Place: Bengaluru

Date: 11 October 2025

Membership Number: 064597

UDIN: 25064597BMOXSN8407

Annexure A

List of subsidiaries of Duroflex Limited (formerly known as Duroflex Private Limited), audited by other auditors for the respective years:

SI. No	Name of the entity	Year ended	Name of the auditor
1	Vazhathoppil Enterprises Private Limited	31 March 2025	M O J & Associates
2	Shivaarna Technofoams Private Limited	31 March 2024 31 March 2023	P K Shah & Co
3	Sleepyhead Home Décor Private Limited	31 March 2024 31 March 2023	K N Prabhashankar & Co.

Annexure B

Details of material subsidiaries audited by other auditors for the respective years:

SI. No	Name of the entity	Year ended	Name of the auditor
1	Shivaarna Technofoams Private Limited	31 March 2024 31 March 2023	P K Shah & Co
2	Sleepyhead Home Décor Private Limited	31 March 2024 31 March 2023	K N Prabhashankar & Co.

Duroflex Limited (formerly known as Duroflex Private Limited)
Annexure I - Restated Consolidated Statement of Assets and Liabilities
(All amounts are in Rs. million, except share data and per share data, unless otherwise stated)

	Annexure VII Note	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Assets					
Non-current assets					
Property, plant and equipment	3	1,623.26	1,638.88	1,802.90	1,920.50
Capital work-in-progress	4	129.84	29.93	10.77	21.20
Investment property	5	-	12.56	13.06	13.56
Right-of-use assets	6	932.57	960.33	387.59	337.07
Goodwill	7	113.73	113.93	113.73	113.73
Other intangible assets	7	16.84	18.92	27.83	29.87
Intangible assets under development	8	0.82	0.82	-	6.60
Financial assets					
(i) Investments	9	-	-	-	42.32
(ii) Loans	10	-	-	-	-
(iii) Other financial assets	11	389.13	271.11	163.03	182.72
Deferred tax assets (net)	39	161.24	148.79	104.91	82.77
Other tax assets (net)	39	64.64	127.97	155.96	21.69
Other non-current assets	12	80.66	59.75	2.33	8.54
Total non-current assets		3,512.73	3,382.99	2,782.11	2,780.57
Current assets					
Inventories	13	1,063.41	1,003.87	882.56	1,016.57
Financial assets					
(i) Trade receivables	14	1,082.52	902.42	753.08	784.84
(ii) Cash and cash equivalents	15.1	278.11	1,028.97	276.00	903.14
(iii) Bank balances other than (ii) above	15.2	983.90	813.37	1,032.39	1,522.59
(iv) Loans	16	9.35	8.31	5.64	7.48
(v) Other financial assets	17	653.72	199.93	27.34	10.90
Other current assets	18	209.83	180.81	283.18	346.85
Total current assets		4,280.84	4,137.68	3,260.19	4,592.37
Total assets		7,793.57	7,520.67	6,042.30	7,372.94
Equity and Liabilities					
Equity					
Equity share capital	19	59.76	59.76	59.76	59.76
Other equity	20	3,894.22	3,895.67	3,397.91	3,311.85
Equity attributable to owners of the Company		3,953.98	3,955.43	3,457.67	3,371.61
Non-controlling interests	21	-	-	-	-
Total equity		3,953.98	3,955.43	3,457.67	3,371.61
Non-current liabilities					
Financial liabilities					
(i) Borrowings	22	24.56	36.48	97.54	231.68
(ii) Lease liabilities	6	875.36	883.98	285.88	252.02
(iii) Other financial liabilities	23	8.54	10.26	21.78	7.20
Provisions	24	76.46	65.53	70.58	61.09
Other non-current liabilities	25	151.99	154.90	51.13	55.38
Total non-current liabilities		1,136.91	1,151.15	526.91	607.37
Current liabilities					
Financial liabilities					
(i) Borrowings	26	51.87	61.49	134.62	1,309.33
(ii) Lease liabilities	6	108.26	117.98	152.04	130.82
(iii) Trade payables	27				
(a) total outstanding dues of micro enterprises and small enterprises; and		186.23	116.63	169.37	151.81
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		1,654.58	1,481.84	1,017.07	1,270.48
(iv) Other financial liabilities	28	438.92	432.77	411.88	366.24
Other current liabilities	29	154.73	104.00	80.84	50.88
Provisions	30	105.56	97.43	91.60	85.95
Current tax liabilities (net)	39	2.53	1.95	0.30	28.45
Total current liabilities		2,702.68	2,414.09	2,057.72	3,393.96
Total liabilities		3,839.59	3,565.24	2,584.63	4,001.33
Total equity and liabilities		7,793.57	7,520.67	6,042.30	7,372.94

The above Annexure should be read with the basis of preparation and Material Accounting Policies appearing in Annexure V, Statement of Restated Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VI and notes to Restated Consolidated Financial Information appearing in Annexure VII.

As per our report of even date attached

for **BSR & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

for and on behalf of the board of directors of

Duroflex Limited (formerly known as Duroflex Private Limited)

Vikash Gupta

Partner

Membership No: 064597

Place: Bengaluru

Date: 11 October 2025

Jacob Joseph George

Chairman and
Managing Director

DIN: 06603830

Place: Bengaluru

Date: 11 October 2025

Mathew Chandy

Whole - time Director

DIN: 05289633

Place: Bengaluru

Date: 11 October 2025

Sridhar Balakrishnan

Chief Executive Officer

Place: Bengaluru

Place: Bengaluru

Date: 11 October 2025

Solly Mathew

Company Secretary

Membership No.: 6028

Place: Bengaluru

Date: 11 October 2025

Rajat Rastogi

Chief Financial Officer

Place: Bengaluru

Place: Bengaluru

Date: 11 October 2025

Duroflex Limited (formerly known as Duroflex Private Limited)**Annexure II - Restated Consolidated Statement of Profit and Loss***(All amounts are in Rs. million, except share data and per share data, unless otherwise stated)*

	Annexure VII Note	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Income					
Revenue from operations	31	2,925.19	11,342.50	10,952.96	10,574.87
Other income	32	44.29	186.99	110.99	127.83
Total income (A)		2,969.48	11,529.49	11,063.95	10,702.70
Expenses					
Cost of materials consumed	33	1,623.02	6,144.15	5,698.14	5,351.33
Purchase of stock-in-trade		84.83	334.46	394.95	537.97
Changes in inventories of finished goods, semi-finished goods and stock in trade	34	(71.13)	(7.65)	37.77	161.01
Employee benefits expense	35	288.10	966.91	986.65	969.40
Other expenses	38	832.98	3,111.83	3,319.06	3,114.47
Expenses before finance costs and depreciation and amortisation expense (B)		2,757.80	10,549.70	10,436.57	10,134.18
Earnings before finance costs and depreciation and amortisation expense and tax (A-B)		211.68	979.79	627.38	568.52
Finance costs (C)	36	29.55	69.93	97.36	167.90
Depreciation and amortisation expense (D)	37	103.50	418.07	435.02	445.54
Total expenses (E) = (B+C+D)		2,890.85	11,037.70	10,968.95	10,747.62
Profit / (Loss) before tax (F) = (A-E)		78.63	491.79	95.00	(44.92)
Tax expense					
Current tax	39	34.69	64.04	5.14	155.39
Deferred Tax	39	(12.45)	(43.88)	(22.14)	(45.57)
Total tax expense (G)		22.24	20.16	(17.00)	109.82
Profit / (Loss) for the period / year (H) = (F-G)		56.39	471.63	112.00	(154.74)
Other comprehensive Income/ (Loss)					
<i>Items that will not be reclassified to profit or Loss</i>					
Re-measurement gains / (Loss) on defined benefit plans		(11.19)	18.93	1.00	(0.77)
Equity instruments through other comprehensive income, net		-	-	(42.32)	(34.40)
Income tax effect on above		2.82	-	-	0.62
Other comprehensive income/ (loss) for the period / year, net of tax (I)		(8.37)	18.93	(41.32)	(34.55)
Total comprehensive income/ (loss) for the period/ year, net of tax (H+I)		48.02	490.56	70.68	(189.29)
Profit/(Loss) attributable to:					
Owners of the Company		56.39	471.63	112.00	(154.74)
Non-controlling interests		-	-	-	-
Total Profit/(Loss) for the period / year		56.39	471.63	112.00	(154.74)
Other comprehensive income/(loss) attributable to:					
Owners of the Company		(8.37)	18.93	(41.32)	(34.55)
Non-controlling interests		-	-	-	-
Total other comprehensive income/(loss) for the period / year		(8.37)	18.93	(41.32)	(34.55)
Total comprehensive income/ (loss) attributable to:					
Owners of the Company		48.02	490.56	70.68	(189.29)
Non-controlling interests		-	-	-	-
Total comprehensive income/(loss) for the period / year		48.02	490.56	70.68	(189.29)
Earnings per equity share (face value of Re. 1 each)	43				
Basic (in Rs.)		0.59	4.93	1.17	(1.62)
Diluted (in Rs.)		0.59	4.93	1.17	(1.62)
		<i>(Not annualised)</i>	<i>(Annualised)</i>	<i>(Annualised)</i>	<i>(Annualised)</i>

The above Annexure should be read with the basis of preparation and Material Accounting Policies appearing in Annexure V, Statement of Restated Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VI and notes to Restated Consolidated Financial Information appearing in Annexure VII.

As per our report of even date attached

for **BSR & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

for and on behalf of the board of directors of

Duroflex Limited (formerly known as Duroflex Private Limited)

Vikash Gupta <i>Partner</i>	Jacob Joseph George <i>Chairman and Managing Director</i>	Mathew Chandy <i>Whole - time Director</i>	Sridhar Balakrishnan <i>Chief Executive Officer</i>	Solly Mathew <i>Company Secretary</i>	Rajat Rastogi <i>Chief Financial Officer</i>
Membership No: 064597	DIN: 06603830	DIN: 05289633		Membership No.: 6028	
Place: Bengaluru	Place: Bengaluru	Place: Bengaluru	Place: Bengaluru	Place: Bengaluru	Place: Bengaluru
Date: 11 October 2025	Date: 11 October 2025	Date: 11 October 2025	Date: 11 October 2025	Date: 11 October 2025	Date: 11 October 2025

Duroflex Limited (formerly known as Duroflex Private Limited)

Annexure III - Restated Consolidated Statement of Changes in Equity

(All amounts are in Rs. million, except share data and per share data, unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance as at 1 April 2025	59.76
Changes in equity share capital during the period	-
Balance as at 30 June 2025	59.76
Balance as at 1 April 2024	59.76
Changes in equity share capital during the year	-
Balance as at 31 March 2025	59.76
Balance as at 1 April 2023	59.76
Changes in equity share capital during the year	-
Balance as at 31 March 2024	59.76
Balance as at 1 April 2022	59.76
Changes in equity share capital during the year	-
Balance as at 31 March 2023	59.76

B. Other equity

Particulars	Other equity							Total attributable to the owners of the Company	Non-controlling interest	Total equity
	Reserves and surplus						Other comprehensive income (OCI)			
	Securities premium	Retained earnings	Capital reserve	General reserve	Share options outstanding account	Demerger deficit reserve	Equity instruments through OCI			
As at 1 April 2025	2,786.60	1,068.98	43.31	17.50	56.00	-	(76.72)	3,895.67	-	3,895.67
Profit for the period	-	56.39	-	-	-	-	-	56.39	-	56.39
Re-measurement gain/ (loss) on defined benefit plans	-	(8.37)	-	-	-	-	-	(8.37)	-	(8.37)
Total comprehensive income for the period	-	48.02	-	-	-	-	-	48.02	-	48.02
Share based payment expenses (refer note 41)	-	-	-	-	5.28	-	-	5.28	-	5.28
Adjustments pursuant to the scheme of arrangement (refer note 53)	-	(9.97)	-	-	-	(44.78)	-	(54.75)	-	(54.75)
Total contributions and distributions	-	(9.97)	-	-	5.28	(44.78)	-	(49.47)	-	(49.47)
Changes in ownership interests										
Acquisition of non-controlling interest without a change in control (refer note 21)	-	-	-	-	-	-	-	-	-	-
Total changes in ownership interests	-	-	-	-	-	-	-	-	-	-
Total transactions with owners of the Company	-	(9.97)	-	-	5.28	(44.78)	-	(49.47)	-	(49.47)
Balance as at 30 June 2025	2,786.60	1,107.03	43.31	17.50	61.28	(44.78)	(76.72)	3,894.22	-	3,894.22

Duroflex Limited (formerly known as Duroflex Private Limited)

Annexure III - Restated Consolidated Statement of Changes in Equity

(All amounts are in Rs. million, except share data and per share data, unless otherwise stated)

B. Other equity (continued)

Particulars	Other equity							Total attributable to the owners of the Company	Non-controlling interest	Total equity
	Reserves and surplus						Other comprehensive income (OCI)			
	Securities premium	Retained earnings	Capital reserve	General reserve	Share options outstanding account	Demerger deficit reserve	Equity instruments through OCI			
As at 1 April 2024	2,786.60	578.42	43.31	17.50	48.80	-	(76.72)	3,397.91	-	3,397.91
Profit for the year	-	471.63	-	-	-	-	-	471.63	-	471.63
Re-measurement gain on defined benefit plans, net of tax	-	18.93	-	-	-	-	-	18.93	-	18.93
Total comprehensive income for the year	-	490.56	-	-	-	-	-	490.56	-	490.56
Share based payment expenses (refer note 41)	-	-	-	-	7.20	-	-	7.20	-	7.20
Total contributions and distributions	-	-	-	-	7.20	-	-	7.20	-	7.20
Changes in ownership interests										
Acquisition of non-controlling interest without a change in control (refer note 21)	-	-	-	-	-	-	-	-	-	-
Total changes in ownership interests	-	-	-	-	-	-	-	-	-	-
Total transactions with owners of the Company	-	-	-	-	7.20	-	-	7.20	-	7.20
Balance as at 31 March 2025	2,786.60	1,068.98	43.31	17.50	56.00	-	(76.72)	3,895.67	-	3,895.67

Particulars	Other equity							Total attributable to the owners of the Company	Non-controlling interest	Total equity
	Reserves and surplus						Other comprehensive income (OCI)			
	Securities premium	Retained earnings	Capital reserve	General reserve	Share options outstanding account	Demerger deficit reserve	Equity instruments through OCI			
As at 1 April 2023	2,786.60	465.42	43.31	17.50	33.42	-	(34.40)	3,311.85	-	3,311.85
Profit for the year	-	112.00	-	-	-	-	-	112.00	-	112.00
Re-measurement gain on defined benefit plans, net of tax	-	1.00	-	-	-	-	-	1.00	-	1.00
Other comprehensive loss for the year	-	-	-	-	-	-	(42.32)	(42.32)	-	(42.32)
Total comprehensive income for the year	-	113.00	-	-	-	-	(42.32)	70.68	-	70.68
Share based payment expenses (refer note 41)	-	-	-	-	15.38	-	-	15.38	-	15.38
Total contributions and distributions	-	-	-	-	15.38	-	-	15.38	-	15.38
Changes in ownership interests										
Acquisition of non-controlling interest without a change in control (refer note 21)	-	-	-	-	-	-	-	-	-	-
Total changes in ownership interests	-	-	-	-	-	-	-	-	-	-
Total transactions with owners of the Company	-	-	-	-	15.38	-	-	15.38	-	15.38
Balance as at 31 March 2024	2,786.60	578.42	43.31	17.50	48.80	-	(76.72)	3,397.91	-	3,397.91

Duroflex Limited (formerly known as Duroflex Private Limited)

Annexure III - Restated Consolidated Statement of Changes in Equity

(All amounts are in Rs. million, except share data and per share data, unless otherwise stated)

B. Other equity (continued)

Particulars	Other equity							Total attributable to the owners of the Company	Non-controlling interest	Total equity
	Reserves and surplus						Other comprehensive income (OCI)			
	Securities premium	Retained earnings	Capital reserve	General reserve	Share options outstanding account	Demerger deficit reserve	Equity instruments through OCI			
As at 1 April 2022	2,786.60	620.31	43.31	17.50	19.80	-	-	3,487.52	0.70	3,488.22
Loss for the year	-	(154.74)	-	-	-	-	-	(154.74)	-	(154.74)
Re-measurement loss on defined benefit plans, net of tax	-	(0.15)	-	-	-	-	-	(0.15)	-	(0.15)
Other comprehensive loss for the year	-	-	-	-	-	-	(34.40)	(34.40)	-	(34.40)
Total comprehensive loss for the year	-	(154.89)	-	-	-	-	(34.40)	(189.29)	-	(189.29)
Transactions with owners of the Company										
Contributions and distributions										
Share based payment expenses (refer note 41)	-	-	-	-	13.62	-	-	13.62	-	13.62
Total contributions and distributions	-	-	-	-	13.62	-	-	13.62	-	13.62
Changes in ownership interests										
Acquisition of non-controlling interest without a change in control (refer note 21)	-	-	-	-	-	-	-	-	(0.70)	(0.70)
Total changes in ownership interests	-	-	-	-	-	-	-	-	(0.70)	(0.70)
Total transactions with owners of the Company	-	-	-	-	13.62	-	-	13.62	(0.70)	12.92
Balance as at 31 March 2023	2,786.60	465.42	43.31	17.50	33.42	-	(34.40)	3,311.85	-	3,311.85

The above Annexure should be read with the basis of preparation and Material Accounting Policies appearing in Annexure V, Statement of Restated Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VI and notes to Restated Consolidated Financial Information appearing in Annexure VII.

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

for and on behalf of the board of directors of

Duroflex Limited (formerly known as Duroflex Private Limited)

Vikash Gupta
Partner
Membership No: 064597

Jacob Joseph George
Chairman and Managing Director
DIN: 06603830

Mathew Chandy
Whole - time Director
DIN: 05289633

Sridhar Balakrishnan
Chief Executive Officer

Solly Mathew
Company Secretary
Membership No.: 6028

Rajat Rastogi
Chief Financial Officer

Place: Bengaluru
Date: 11 October 2025

Place: Bengaluru
Date: 11 October 2025

Place: Bengaluru
Date: 11 October 2025

Place: Bengaluru
Date: 11 October 2025

Place: Bengaluru
Date: 11 October 2025

Place: Bengaluru
Date: 11 October 2025

Duroflex Limited (formerly known as Duroflex Private Limited)
Annexure IV - Restated Consolidated Statement of Cash flows
(All amounts are in Rs. million, except share data and per share data, unless otherwise stated)

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flow from operating activities				
Profit / (loss) before tax	78.63	491.79	95.00	(44.92)
Adjustments to reconcile the profit/(loss) before tax to net cash flows :				
Depreciation and amortisation expense	103.50	418.07	435.02	445.60
Impairment of intangible assets	-	-	-	25.20
Interest on financial liabilities measured at amortized cost	28.63	67.14	92.36	160.21
Other borrowing costs	0.92	2.79	5.00	7.69
Share based payment expense	5.28	7.20	15.38	13.62
Allowance for doubtful advances	-	6.82	1.10	3.78
Allowance for expected credit loss	7.14	30.46	32.98	28.17
Advances written off	-	-	-	2.70
Interest income under the effective interest method on financial assets carried at amortised cost	(39.63)	(118.86)	(88.74)	(113.89)
Rental income from investment property	-	(3.76)	(4.67)	(5.30)
Loss on sale of property, plant and equipment (net)	-	-	0.55	(1.43)
Write off of property, plant and equipment	2.88	-	-	-
Liabilities or provisions no longer required written back	-	(11.73)	-	(2.76)
Government grants	(2.92)	(15.37)	(4.20)	(4.20)
Gain on termination of lease	-	(0.41)	(0.30)	(3.74)
Rent concession	-	-	-	(0.02)
	184.43	874.14	579.48	510.71
Working capital adjustments				
Increase/(Decrease) in trade payables	242.33	423.73	(235.86)	157.87
Increase in provisions	7.86	19.71	16.14	35.78
Increase in trade receivables	(188.53)	(179.80)	(1.23)	(31.22)
(Increase)/Decrease in inventories	(59.54)	(121.31)	134.02	168.12
(Increase)/Decrease in loans	(1.04)	(2.66)	1.83	(0.68)
(Decrease)/Increase in other financial liabilities	(30.74)	(2.12)	66.25	(55.22)
Increase/(Decrease) in other liabilities	50.74	142.30	29.92	(0.54)
Increase in other financial assets	(14.12)	(117.80)	(15.06)	(7.65)
(Increase)/Decrease in other assets	(29.58)	80.24	63.67	(13.82)
Cash generated from operations	161.81	1,116.43	639.16	763.35
Income taxes paid, net of refund	32.04	(34.40)	(167.56)	(59.30)
Net cash generated from operating activities [A]	193.85	1,082.03	471.60	704.05
Cash flows from investing activities				
Acquisition of property, plant and equipment, intangible assets and capital work-in-progress	(168.47)	(131.63)	(145.73)	(408.26)
Investment in equity instruments	-	(0.10)	-	(0.70)
Proceeds from sale of property, plant and equipment	-	-	10.69	48.40
Rental income from investment property	-	3.76	4.67	5.30
Investment in corporate fixed deposits	(436.36)	-	-	-
Investment in fixed deposits	(1,361.79)	(1,081.19)	(913.18)	(79.28)
Redemption of fixed deposits	1,065.34	1,126.62	1,380.91	603.00
Interest received	28.10	114.06	121.99	108.47
Net cash generated from / (used in) investing activities [B]	(873.18)	31.52	459.35	276.93
Cash flows from financing activities				
Proceeds from non-current borrowings	-	-	-	135.00
Repayment of non-current borrowings	(21.54)	(133.75)	(138.50)	(152.48)
Proceeds from/(repayment of) short term borrowings	-	-	(1,169.96)	127.16
Principal payment of lease liabilities	(20.44)	(156.45)	(151.88)	(120.19)
Interest on borrowings	(6.51)	(30.78)	(55.99)	(131.87)
Interest on lease liabilities	(23.04)	(39.60)	(41.76)	(33.11)
Net cash flow used in financing activities [C]	(71.53)	(360.58)	(1,558.09)	(175.49)
Net (decrease) / increase in cash and cash equivalents [A+B+C]	(750.86)	752.97	(627.14)	805.49
Cash and cash equivalents at the beginning of the period / year	1,028.97	276.00	903.14	97.65
Cash and cash equivalents at the end of the period / year	278.11	1,028.97	276.00	903.14
Components of cash and cash equivalents :				
Balance with banks				
- On current accounts	228.02	213.57	200.90	902.74
- Deposits with original maturity of less than 3 months	50.09	815.40	75.10	0.40
Cash and Cash equivalents (refer note 15.1)	278.11	1,028.97	276.00	903.14

Duroflex Limited (formerly known as Duroflex Private Limited)**Annexure IV - Restated Consolidated Statement of Cash flows***(All amounts are in Rs. million, except share data and per share data, unless otherwise stated)***Non-cash financing and investing activities**

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Acquisition of right-of-use assets	17.31	742.32	217.63	49.19

Changes in liabilities arising from financing activities**Reconciliation between opening and closing balances in the Restated Consolidated Statement of Assets and Liabilities for liabilities arising from financing activities:**

Particulars	As at 1 April 2025	Cash flows	Interest	Non cash changes*	As at 30 June 2025
Lease liabilities (refer note 6)	1,001.96	(43.48)	23.04	2.10	983.62
Borrowings (refer note 22 and 26)	97.97	(28.05)	6.51	-	76.43

Particulars	As at 1 April 2024	Cash flows	Interest	Non cash changes*	As at 31 March 2025
Lease liabilities (refer note 6)	437.92	(196.05)	39.60	720.49	1,001.96
Borrowings (refer note 22 and 26)	232.16	(164.52)	30.33	-	97.97

Particulars	As at 1 April 2023	Cash flows	Interest	Non cash changes*	As at 31 March 2024
Lease liabilities (refer note 6)	382.84	(193.64)	41.76	206.96	437.92
Borrowings (refer note 22 and 26)	1,541.01	(1,364.44)	55.59	-	232.16

Particulars	As at 1 April 2022	Cash flows	Interest	Non cash changes*	As at 31 March 2023
Lease liabilities (refer note 6)	503.58	(153.30)	33.11	(0.55)	382.84
Borrowings (refer note 22 and 26)	1,431.30	(157.19)	266.90	-	1,541.01

* Non cash transactions include lease liabilities recognised for new leases and adjustment for termination of lease contract etc., and for borrowings they pertain to capitalised borrowing costs.

The above Annexure should be read with the basis of preparation and Material Accounting Policies appearing in Annexure V, Statement of Restated Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VI and notes to Restated Consolidated Financial Information appearing in Annexure VII.

for **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

for and on behalf of the board of directors of

Duroflex Limited (formerly known as Duroflex Private Limited)

Vikash Gupta Partner	Jacob Joseph George Chairman and Managing Director	Mathew Chandy Whole - time Director	Sridhar Balakrishnan Chief Executive Officer	Solly Mathew Company Secretary	Rajat Rastogi Chief Financial Officer
Membership No: 064597	DIN: 06603830	DIN: 05289633		Membership No.: 6028	
Place: Bengaluru	Place: Bengaluru	Place: Bengaluru	Place: Bengaluru	Place: Bengaluru	Place: Bengaluru
Date: 11 October 2025	Date: 11 October 2025	Date: 11 October 2025	Date: 11 October 2025	Date: 11 October 2025	Date: 11 October 2025

1 Group Overview

Duroflex Limited (formerly known as Duroflex Private Limited) (the Company) [CIN: U36104KL1981PLC003447] was incorporated on 9 November 1981 as a private limited company under the provisions of Companies Act, 2013 ("the Act") with its registered office at 3808 Chungom Alleppey Kerala - 688011. Pursuant to the resolution passed in the board meeting and special resolution passed in the extraordinary general meeting of the shareholders of the Company held on 9 September 2025, the Company had filed an application with the Registrar of Companies, Kerala for conversion from a Private Limited Company to a Public Limited Company which was approved by the Registrar of Companies on 17 September 2025 and consequently the Company's name has changed from Duroflex Private Limited to Duroflex Limited vide the new certificate of incorporation.

The Company together with its subsidiaries (collectively referred to as the "Group") is engaged inter-alia in the manufacture, sale of Rubberised Coir Product, Polyurethane Foam Products and Spring Mattresses, Furniture and providing Warehousing services.

Following companies have been considered in the preparation of the Restated Consolidated Financial Information:

Name	Date of control	Relationship	Place of incorporation	% of ownership interests			
				30 June 2025	31 March 2025	31 March 2024	31 March 2023
Vazhathoppil Enterprises Private Limited*	19 February 2025	Subsidiary	India	-	100.00%	-	-
Rem42 Technologies Private Limited	23 April 2021	Subsidiary	India	100.00%	100.00%	100.00%	100.00%
Shivaarna Technofoams Private Limited	17 October 2020	Subsidiary	India	100.00%	100.00%	100.00%	100.00%
Sleepyhead Home Décor Private Limited	3 October 2019	Subsidiary	India	99.99%	99.99%	99.99%	99.99%
Palmspring Mattresses Private Limited**	18 January 2017	Subsidiary	India	-	-	-	99.80%

* Vazhathoppil Enterprises Private Limited has ceased to be a subsidiary consequent to the order from Regional Director dated 7 July 2025 w.e.f. 1 April 2025 i.e. the Appointed Date (refer note 53).

** Palmspring Mattresses Private Limited has been merged with Company consequent to the order from Regional Director dated 27 March 2024 w.e.f. 1 April 2023 i.e. the Appointed Date (refer note 47).

2 Material accounting policies

i) Basis of preparation

a. Statement of compliance and basis of preparation

The Restated Consolidated Financial Information of the Group comprises the restated consolidated statement of assets and liabilities as at 30 June 2025, 31 March 2025, 31 March 2024 and 31 March 2023, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity and the restated consolidated statement of cash flows for the three months period ended 30 June 2025 and for the years ended 31 March 2025, 31 March 2024 and 31 March 2023, the material accounting policies and other explanatory information and notes (collectively, the 'Restated Consolidated Financial Information').

The Restated Consolidated Financial Information have been prepared on a going concern basis. The accounting policies are applied consistently to all the period/ years presented in the Restated Consolidated Financial Information. These Restated Consolidated Financial Information have been prepared by the management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI"), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in the Draft Red Herring Prospectus (DRHP) in connection with proposed issue of equity shares of the Company through an offer for sale of equity shares by the existing shareholders and a fresh issue of equity shares by way of an initial public offer. Accordingly, the Restated Consolidated Financial Information may not be suitable for any other purpose and should not be used, referred to or distributed for any other purpose.

These Restated Consolidated Financial Information have been prepared by the Group in terms of the requirements of:

- Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended; and
- The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI") (the "Guidance Note").

The Restated Consolidated Financial Information have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") as specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III to the Act, as applicable to the consolidated financial statements and other relevant provisions of the Act.

The Restated Consolidated Financial Information have been compiled by the management from:

- Audited Special Purpose Consolidated Interim Financial Statements of the Group as at and for the three months period ended 30 June 2025 prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" specified under Section 133 of the Act, as amended and other accounting principles generally accepted in India and presentation requirements of Schedule III of the Companies Act, 2013, except for presenting corresponding financial information as required by Ind AS 34, which have been approved by the Board of Directors at their meeting held on 11 October 2025.
- Audited Consolidated Financial Statements of the Group as at and for the years ended 31 March 2025, 31 March 2024 and 31 March 2023, prepared in accordance with the Ind AS as specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India and presentation requirements of Schedule III to the Companies Act, 2013, which have been approved by the Board of Directors at their meetings held on 22 September 2025, 13 September 2024 and 24 November 2023 respectively.

The Restated Consolidated Financial Information:

- have been prepared after incorporating adjustments for the regrouping/reclassifications retrospectively in the financial years ended 31 March 2025, 31 March 2024 and 31 March 2023, to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three months period ended 30 June 2025;
- does not contain any qualifications requiring adjustments;
- have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.

The Restated Consolidated Financial Information were approved by the Board of Directors and authorised for issue on 11 October 2025.

2 Material accounting policies (continued)

(i) Basis of preparation (continued)

b. Basis of measurement

These Restated Consolidated Financial Information are prepared in accordance with Ind AS under the historical cost (i.e. on accrual basis), except for the following which have been measured at fair value:

- Financial instruments classified as fair value through profit and loss
- defined benefit plans and
- share-based payments

c. Functional and presentation currency

These Restated Consolidated Financial Information are presented in Indian Rupees (Rs.), which is also the Group's functional currency. All amount disclosed in these Restated Consolidated Financial Information and notes have been rounded off to nearest millions as per the requirement of Schedule III, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Group have been reflected as "0" in the relevant notes to these Restated Consolidated Financial Information.

d. Use of judgements, estimates and assumptions

The preparation of Restated Consolidated Financial Information in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosure of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Restated Consolidated Financial Information.

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the Restated Consolidated Financial Information is included in the following notes:

- Note 6 - Lease term: whether the Group is reasonably certain to exercise extension options.

(ii) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Note 3 and 7 - useful life of property, plant and equipment and intangible assets;
- Note 41 - measurement of share based payments: Fair value of option at the grant date;
- Note 30 - provision for warranties;
- Note 39 - recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax loss carried forward can be utilized;
- Note 40 - measurement of ECL allowance for trade and finance receivables, loans and contract assets: key assumptions in determining the weighted-average loss rate;
- Note 40 - fair value measurement of financial instruments;
- Note 42 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 45 - measurement of defined benefit obligations: key actuarial assumptions;
- Note 28 - refund liabilities;
- Note 5 - investment property; and
- Note 7 - impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts, including the recoverability of development costs.

e. Current and non-current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the Restated Consolidated Statement of Assets and Liabilities.

f. Measurement of fair values

Certain accounting policies and disclosures of the Group require the measurement of fair values, for both financial and non financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure the fair values, then the Group assess the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into a different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

g. Earnings before finance costs, depreciation and amortisation expense and tax

As permitted by the Guidance Note on Division II - Ind AS Schedule III to the Companies Act 2013, the Group has elected to present earnings before finance costs, depreciation and amortisation expense and tax as a separate line item on the face of the Restated Consolidated Statement of profit and loss. The Group measures earnings before finance costs, depreciation and amortisation expense and tax on the basis of profit/(loss) from continuing operations. In its measurement, the Group does not include finance costs, depreciation and amortisation expense and income tax expenses.

2 Material accounting policies (continued)

ii) Basis of consolidation

a. Business combinations (other than common control business combinations)

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The consideration transferred in the acquisition is generally measured at fair value as at the date the control is acquired (acquisition date), as are the identifiable net assets acquired. Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve through OCI.

Any gain on a bargain purchase is recognised in the OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, then gain on a bargain purchase is recognised directly in equity as capital reserve.

Transaction costs/ acquisition related costs are expensed as incurred and services are received, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in the restated consolidated statement of profit and loss.

If a business combination is achieved in stages, then the previously held equity interest in the acquiree is remeasured at its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit and loss or OCI, as appropriate.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in the restated consolidated statement of profit and loss.

b. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The financial information of subsidiaries are included in the Restated Consolidated Financial Information from the date on which control commences until the date on which control ceases.

The Restated Consolidated Financial Information is prepared using uniform material accounting policies for like transactions and other events in similar circumstances.

Items of assets, liabilities, equity, income, expenses and cash flows of the Company with those of its subsidiaries are combined like to like basis. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the Restated Consolidated Financial Information at the acquisition date.

c. Non - controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets on the date of acquisition. Profit or loss and each component of the other comprehensive income (OCI) are attributed to the equity holders of the Company and to the NCI. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

d. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

e. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

f. Business combinations (common control business combinations)

Business combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where that control is not transitory are accounted for as per the pooling of interest method. The pooling of interest method is considered to involve the following:

- a) The assets and liabilities of the combining entities are reflected at their carrying amounts.
- b) No adjustments are made to reflect fair values or recognize any new assets or liabilities. The only adjustments that are made are to harmonies accounting policies.
- c) The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information are restated only from that date.
- d) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. Alternatively, it is transferred to General Reserve, if any.
- e) The identity of the reserves are preserved and appear in the financial information of the transferee in the same form in which they appeared in the financial information of the transferor.
- f) The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

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2 Material accounting policies (continued)

iii) Revenue Recognition

The Group recognizes revenue when the control of products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The performance obligations in the contracts are fulfilled based on various customer terms including at the time of delivery of products, dispatch or upon customer acceptance based on various distribution channels. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the products or services before transferring them to the customer.

a. Revenue from sale of products

Revenue from the sale of products is recognized at the point in time when control of the products being sold is transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data. In these circumstances, a refund liability and a right to recover returned goods asset are recognised.

b. Assets and liabilities arising from right to return

The Group has contracts with customers which entitles them the unconditional right to return.

Right to return assets

A right of return gives an entity a contractual right to recover the products from a customer (right to return asset), if the customer exercises its option to return the products and obtain a refund. The asset is measured at the carrying amount of the inventory, less any expected costs to recover the products, including any potential decreases in the value of the returned products.

Refund liabilities

A refund liability is the obligation to refund part or all of the consideration received (or receivable) from the customer. The Group has therefore recognized refund liabilities in respect of customer's right to return. The liability is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

The Group has presented its right to return assets and refund liabilities under "Inventory" and "other current financial liabilities", respectively.

c. Contract balances

Trade receivables

A trade receivable is recognized if an amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets for initial recognition and subsequent measurement of financial assets.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer, where that right is conditioned on something other than the passage of time. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional. Contract assets are subject to impairment assessment.

Contract liabilities

A contract liability is recognized if a payment is received, or a payment is due (whichever is earlier) from the customer before the Group transfers the related goods or services. Contract liabilities are recognized as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

d. Other Operating Income

Revenue from sale of scrap in the course of ordinary activities is measured at the transaction price.

Income from duty drawback are recognized in the restated consolidated statement of profit and loss account when the right to receive credit as per the terms of the entitlement is established in respect of exports made and disclosed as other operating revenues.

The Group initially recognises the government grants related to assets as deferred income at fair value if there is reasonable assurance that they will be received, and the Group will comply with the conditions associated with the grant. Grants related to the acquisition of assets are recognised in Restated Consolidated Statement of Profit and Loss as other income on a systematic basis over the useful life of the asset.

iv) Other income

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the Restated Consolidated Statement of Profit or Loss.

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2 Material accounting policies (continued)**v) Property, plant and equipment****a. Recognition and measurement**

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Items of property, plant and equipment (including capital-work-in progress) are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses. Freehold land is carried at a historical cost less any accumulated impairment losses.

The cost of property, plant and equipment comprises its purchase price/acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Machine spare parts are recognized in accordance with this Ind AS when they meet the definition of property, plant and equipment, otherwise, such items are classified as inventory.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipments.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Restated Consolidated Statement of Profit or Loss.

b. Transition to Ind AS

The cost property, plant and equipment at 1 April 2021, the Group's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

c. Subsequent Expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other expenses on existing property, plant, and equipment, including day-to-day repair and maintenance expenditure are charged to the Restated Consolidated Statement of Profit or Loss for the period during which such expenses are incurred.

d. Capital advances and Capital work in progress

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under other non-current assets. The costs of property, plant, and equipment, which are not ready for their intended use on such date, are disclosed as capital work in progress. The capital work-in-progress is carried at cost, comprising direct cost, related incidental expenses, and attributable interest. No depreciation is charged on the capital work in progress until the asset is ready for the intended use.

e. Depreciation

Depreciation on property, plant and equipment is provided on the straight-line method (SLM) over the useful lives of assets estimated by management. Freehold land is not depreciated. Based on an internal technical evaluation, management believes that useful life as given below, which are different from those prescribed in Part C of schedule II of the Act, best represents the period over which management expects to use these assets.

Depreciation on property, plant and equipment acquired/ disposed off during the period/year is recorded on a pro-rata basis with reference to the month of acquisition/ disposal.

Asset category	Management estimate of useful life (in years)	Useful life as per Schedule II (in years)
Office equipments	3 to 5	5
Computers & its peripherals	3 to 6	3 to 6
Building	3 to 30	30
Vehicles	8	8
Electrical equipment	2 to 10	15
Furniture and fixtures	3 to 10	10
Leasehold improvement	2 to 4	As per the tenure of the lease
Plant and Machinery	2 to 15	15

The residual value, useful lives and the method of depreciation of property, plant and equipment's are reviewed at each reporting period end and adjusted prospectively if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

vi) Goodwill, Intangible assets under development and other intangible assets**a. Goodwill**

Goodwill arising of business combination is initially measured at cost, being the excess of the aggregate of the fair value of consideration transferred and the net fair value of identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment at each reporting period as presented, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in Restated Consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

2 Material accounting policies (continued)

vi) Goodwill, Intangible assets under development and other intangible assets (continued)

b. Other intangible assets

i. Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is recognised at fair value at the date of acquisition. An intangible asset is recognised only if it is probable that future economic benefits attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Following initial recognition, other intangible assets, including those acquired by the Group in a business combination and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Any gain or loss on disposal of an intangible asset is recognised in the Restated Consolidated Statement of Profit and Loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised as depreciation and amortisation expense in Restated Consolidated Statement of Profit and Loss. Goodwill is not amortised.

The estimated useful lives are as follows:

Asset category	Useful life of the asset (In years)
Computer Software	4 to 6
Website	4

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

c. Intangible assets under development

Development expenditure is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in Restated Consolidated Statement of Profit and Loss as incurred.

vii) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property are measured at cost less accumulated depreciation and accumulated impairment losses, if any. An investment property is derecognized upon disposal or when there is a change in use or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Restated Consolidated Statement of Profit and Loss in the period in which the property is derecognized.

The investment property includes land and buildings held by the Group. Depreciation on building is provided over its useful life using the straight-line method (SLM), in a manner similar to PPE and no depreciation on the land is recorded in the Restated Consolidated Statement of Profit and Loss.

Asset category	Useful life of the asset (In years)
Building	30

The fair values of the investment property is disclosed in the notes. Fair values is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

viii) Impairment

a. Non - financial Assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Intangible assets under development and Goodwill are tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an individual asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in the Restated Consolidated Statement of Profit and Loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2 Material accounting policies (continued)

viii) Impairment (continued)

b. Financial Assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

As a practical expedient, the Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At regular intervals, the historically observed default rates are updated and changes in forward-looking estimates are analysed. The Group also assesses at each reporting date whether there is evidence of impairment for individual trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a material increase in the credit risk since initial recognition. If credit risk has not increased materially, twelve-month ECL is used to provide for impairment loss. However, if credit risk has increased materially, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a material increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on twelve-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original effective interest rate.

The Group recognises loss allowances for expected credit losses on financial assets recorded amortised cost. At each reporting date the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is "credit-impaired" when one or more events have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation;

The Group measures loss allowances at an amount of life time expected credit losses, except for the following, which are measured as twelve month expected credit losses :-

- debt securities that are determined to have low credit risk at the reporting date ; and
- other debt securities and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instruments) has not increased materially since initial recognition.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Presentation of allowance for ECL in the Restated Consolidated Statement of Assets and Liabilities

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

ix) Employee benefits

a. Short term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits and are measured on undiscounted basis. These benefits include salaries and wages, bonus etc., which are to be paid in exchange for the employee services and are recognised as an expense in the Restated Consolidated Statement of Profit and Loss in the period in which the employee renders the related service.

b. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in Restated Consolidated Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Provident fund

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis.

c. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. This rate is applied on the net defined benefit liability (asset), both as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Restated Consolidated Statement of Profit and Loss.

d. Other long-term employee benefits - compensated absences

The employees of the Group are entitled to accrue certain compensated absences in a calendar year. The Group's net obligation in respect of accumulating compensated absences is the amount of future benefit that employees have accumulated at the end of the period/year. The obligation is measured annually by a qualified actuary using the projected unit credit method. Remeasurements are recognized in Restated Consolidated Statement of Profit and Loss in the period in which they arise.

The obligations are presented as current liabilities in the Restated Consolidated Statement of Assets and Liabilities as the Group does not have an unconditional right to defer the settlement.

2 Material accounting policies (continued)

ix) Employee benefits (continued)

e. Share-based payments

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The Group measures compensation cost relating to employee stock options plans using the fair valuation method in accordance with Ind AS 102 "Share-Based Payment".

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using the Black Scholes model and the cost is recognized, together with a corresponding increase in share based payment reserve in equity, over the period in which the performance and/or service conditions are fulfilled in a graded vesting manner. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

In case of cancellation or settlement of grant of equity instruments during the vesting period (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied), the Group shall account for the cancellation or settlement as an acceleration of vesting and shall therefore recognise immediately the amount that otherwise would have been recognised for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation or settlement of the grant shall be accounted for as the repurchase of an equity interest, i.e., as a deduction from equity, except to the extent that the payment exceeds the fair value of the equity instruments granted, measured at the repurchase date. Any such excess shall be recognised as an expense in the Restated Consolidated Statement of Profit and Loss.

x) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A) Financial Instruments - Financial Assets

a. Recognition and initial measurement

Trade receivables are initially recognized when they are originated. All other financial assets are initially recognized when it becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus or minus, for an item not at Fair value through profit and loss account ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

b. Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI") – equity investment; or
- FVOCI– debt investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI- equity investment). This election is made on an investment-to-investment basis.

All financial assets not classified as amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial Assets: Business model assessment

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessments whether contractual cash flows are solely payments of principal and interest.

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during the particular period of time and for the other basic lending risks and costs.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group claim to cash flows from specified assets.

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

2 Material accounting policies (continued)

x) Financial instruments (continued)

c. Subsequent measurement

Financial assets at FVTPL - Subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognized in the Restated Consolidated Statement of Profit and Loss.

Financial assets at amortized cost - Subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the Restated Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is recognized in the Restated Consolidated Statement of Profit and Loss.

Debt instruments at FVOCI - Subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in the Restated Consolidated Statement of Profit and Loss. Other net gains and losses are recognized in Other Comprehensive Income. On derecognition, gains and losses accumulated in Other Comprehensive Income are reclassified to the Restated Consolidated Statement of Profit and Loss.

Equity instruments at FVOCI - Subsequently measured at fair value. Dividends are recognized as income in the Restated Consolidated Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in Other Comprehensive Income and are not reclassified to the Restated Consolidated Statement of Profit and Loss.

d. Derecognition

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised on its Restated Consolidated Statement of Assets and Liabilities but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

B) Financial Instruments - Financial Liabilities

a. Recognition and initial measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortized cost. All financial liabilities are initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its issue.

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, lease liabilities, refund liabilities and borrowings.

b. Subsequent measurement

Financial liabilities at amortized cost: After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains or losses are recognized in the Restated Consolidated Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Restated Consolidated Statement of Profit and Loss.

Financial liabilities at fair value through profit or loss: These include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the Restated Consolidated Statement of Profit and Loss.

c. Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in Restated Consolidated Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the Restated Consolidated Statement of Assets and Liabilities when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realize the asset and settle the liability simultaneously.

Recognition of Interest income or expense

Interest income or expense is recognised using the effective interest rate.

The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

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2 Material accounting policies (continued)

xi) Leases

A) Group as a Lessee

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess where the Group has the right to control the use of identified assets, the Group assesses whether the:

- (i) the contract involves the use of identified assets,
- (ii) whether the Group has the right to obtain substantially all the economic benefits from the use of assets throughout the period of use and
- (iii) whether the Group has the right to direct the use of assets.

a. Right-of-use

The Group recognizes right-of-use assets at the commencement date of the lease i.e. the date the underlying asset is available for use. Right-of-use assets are measured at cost less accumulated depreciation. The cost of Right-of-use assets includes the amount of lease liabilities recognized, initial cost incurred and lease payments made at or before the commencement date. The Right-of-use asset is depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term basis over a lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

b. Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, including amounts expected to be payable by the Group under residual value guarantee. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in Restated Consolidated Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero.

c. Short-term leases

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less from the commencement date and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term.

B) Group as a Lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

When the Group as an intermediate lessor enters into an intermediate finance lease, it derecognises the right-of-use asset under the head lease which it transfers to the sub lessee, recognises the net investment in the sublease as an asset, recognises the difference between the right-of-use asset and the net investment as a gain or loss and continue to recognise the lease liability, i.e., the lease payments owed to the head lessor, for the head lease. Over the sublease term, the intermediate lessor recognises the interest income from the sublease and the interest expense for the head lease.

xii) Borrowing costs

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expense in the period/year in which they are incurred.

xiii) Share issue expenses

Incremental costs directly attributable to the issue of shares are adjusted with the securities premium.

xiv) Inventories

Inventories are valued at the lower of cost (including cost of raw materials and components, non-refundable taxes and other overheads incurred in bringing the inventories to their present location and condition) and estimated net realizable value after providing for obsolescence, where appropriate. The comparison of cost and net realizable value is made on an item-by-item basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Net realizable value of semi-finished goods is determined with reference to the selling prices of related finished goods. Raw materials, packing materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished goods will exceed their net realizable value.

Cost of raw materials and packing materials are determined on a weighted average basis.

Stores and spares are determined on a First in First Out basis.

Semi-finished goods is determined at material cost and an appropriate share of production overheads.

Finished goods are determined at material cost and an appropriate share of production overheads.

Stock in trade are determined at purchase cost.

Obsolete, slow moving and defective inventories are identified at the time of periodic physical verification of inventories and where necessary, a markdown is made for such inventories.

2 Material accounting policies (continued)

xv) Income Tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

a. Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period/year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

b. Deferred Tax

Deferred tax is recognized on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction and does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

MAT payable for a period/year is charged to the Restated Consolidated Statement of Profit and Loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Restated Consolidated Statement of Profit and Loss and shown as 'MAT Credit Entitlement' under Deferred Tax. The Group reviews the same at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

xvi) Provisions, contingent liabilities and contingent assets

Provisions (other than employee benefits)

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Expected future operating losses are not provided for.

Provisions for onerous contracts, i.e., contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Where the Group expects some or all of the expenditure required to settle a provision will be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the Group settles the obligation. The reimbursement is treated as a separate asset.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The contingent liability is not recognized in the books of accounts but its existence is disclosed in the Restated Consolidated Financial Information.

Contingent assets

Contingent asset is not recognised in Restated Consolidated Financial Information since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities, and contingent assets are reviewed at each reporting date.

xvii) Warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise, being typically between 3 to 8 years.

2 Material accounting policies (continued)

xviii) Earnings per share

Basic earning per share

The basic earnings per share is computed by dividing the net profit/(loss) attributable to owners of the Group for the year by the weighted average number of equity shares outstanding during the period/year.

Diluted earnings per share

Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period/year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included.

xix) Foreign currency translations

Transactions in foreign currencies are initially recorded by the respective entities of the Group at their respective functional currency spot rates, at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised as income or expenses in the period in which they arise. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

xx) Operating Segment

Based on the guiding principles given in Ind AS 108 on 'Operating Segments', the Group's business activity falls within one operating segment. The Board of Directors monitors the operating results as a whole for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the Restated Consolidated Financial Statements, thus the disclosures requirements under Ind AS 108 – "Segment Reporting" are not applicable.

xxi) Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

xxii) Statement of cash flows

Cash flows are reported using the indirect method as set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows, whereby profit/(loss) for the period/year is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing, and financing activities of the Group are segregated.

xxiii) Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) amended the Companies (Indian Accounting Standards) Rules, 2015, through notifications dated:

a) 7 May 2025, introducing changes to Ind AS 21 – The Effects of Changes in Foreign Exchange Rates, effective from 1 April 2025. These amendments provide guidance on assessing whether a currency is exchangeable into another currency and on estimating the spot exchange rate when a currency is not exchangeable. The Group has considered this amendment and believe that there is no material impact on the Restated Consolidated Financial Information.

b) 13 August 2025, introducing changes to various Ind AS including Ind AS 1, Ind AS 7, Ind AS 12. These amendments are applicable for annual reporting periods beginning on or after 1 April 2025, with certain provisions effective from 1 April 2026. The Group is in the process of evaluating the impact of these amendments on the Restated Consolidated Financial Information.

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Annexure VI - Statement of Restated Adjustments to the Audited Consolidated Financial Information

(All amounts are in Rs. million, except share data and per share data, unless otherwise stated)

Part A : Statement of Restated Adjustments to the Audited Consolidated Financial Statements

I. Reconciliation between total equity as per audited consolidated financial statements and restated consolidated financial information:

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Total equity as per audited consolidated financial statements	3,953.98	3,955.43	3,457.67	3,371.61
(i) Audit qualifications (refer Part B below)	-	-	-	-
(ii) Adjustments due to change in accounting policy / prior period items / other adjustments	-	-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	-	-	-	-
Total impact of adjustments (i+ii+iii)	-	-	-	-
Total Equity as per Restated Consolidated Statement of Assets and Liabilities	3,953.98	3,955.43	3,457.67	3,371.61

II. Reconciliation between total comprehensive income/(loss) for the period/year as per audited consolidated financial statements and as per restated consolidated financial information:

Particulars	Three months period ended 30 June 2025	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Total comprehensive income/(loss) as per audited consolidated financial statements	48.02	490.56	70.68	(189.29)
(i) Audit qualifications (refer Part B below)	-	-	-	-
(ii) Adjustments due to change in accounting policy / prior period items / other adjustments	-	-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	-	-	-	-
Total impact of adjustments (i+ii+iii)	-	-	-	-
Total comprehensive income/(loss) as per Restated Consolidated Statement of Profit and Loss	48.02	490.56	70.68	(189.29)

Part B: Non-adjusting events

(a) Audit qualifications for the respective period/years, which do not require any adjustments in the Restated Consolidated Financial Information are as follows:

There are no audit qualifications in the auditor's report for the three months period ended 30 June 2025 and for the years ended 31 March 2025, 31 March 2024 and 31 March 2023 which requires adjustments.

(b) Emphasis of matter in the Auditor's report which do not require any corrective adjustments in the Restated Consolidated Financial Information:

(i) Emphasis of matter paragraph in the Auditors' report on the Audited Special Purpose Consolidated Interim Financial Statements of Duroflex Limited (formerly known as Duroflex Private Limited) which do not require any corrective adjustments in the Restated Consolidated Financial Information:

As at and for the three months period ended 30 June 2025:

We draw attention to Note 2(i)(a) to the Special Purpose Consolidated Interim Financial Statements, which describes the basis of preparation. The special purpose consolidated interim financial statements are prepared to assist the Company in preparation of the restated consolidated financial information, which will be included in the Draft Red Herring Prospectus in connection with the proposed initial public offering of equity shares by the Company comprising a fresh issue of the equity shares by the Company and an offer for sale of equity shares by certain shareholders of the Company. These special purpose consolidated interim financial statements have been presented without corresponding figures. As a result, the special purpose consolidated interim financial statements may not be suitable for another purpose. Our report is intended solely for the Company and should not be used, referred to or distributed for any other purpose or to any other party.

(c) Statement/comments included in the Companies (Auditor's Report) Order, 2020 (CARO 2020), which do not require any corrective adjustments in the Restated Consolidated Financial Information

(i) Matter included in the Independent Auditor's Report of the Consolidated Financial Statements of Duroflex Limited (formerly known as Duroflex Private Limited) which does not require any corrective adjustment in the Restated Consolidated Financial Information is as follows:

For the year ended 31 March 2025:

Clause (xxi) of CARO 2020, Order

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Duroflex Limited (formerly known as Duroflex Private Limited)	U36104KL1981PLC003447	Holding Company	3(ii)(b), 3(vii)(a) and 3(xi)(a)
2	Shivaarna Technofoams Private Limited	U25517MP2016PTC040811	Subsidiary Company	3(ii)(b)

For the year ended 31 March 2024:

Clause (xxi) of CARO 2020, Order

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Duroflex Private Limited	U36104KL1981PTC003447	Holding Company	3(ii)(b)

Annexure VI - Statement of Restated Adjustments to the Audited Consolidated Financial Information

(All amounts are in Rs. million, except share data and per share data, unless otherwise stated)

For the year ended 31 March 2023:

Clause (xxi) of CARO 2020, Order

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Duroflex Private Limited	U36104KL1981PTC003447	Holding Company	3(ii)(b)
2	Shivaarna Technofoams Private Limited	U25517MP2016PTC040811	Subsidiary Company	3(xvii)
3	Sleepyhead Home Décor Private Limited	U74999KA2017PTC105903	Subsidiary Company	3(xvii)
4	REM42 Technologies Private Limited	U72900KA2021PTC146926	Subsidiary Company	3(xvii)

(ii) Matter included in the Independent Auditor's Report of the Standalone Financial Statements of Duroflex Limited (formerly known as Duroflex Private Limited) which does not require any corrective adjustment in the Restated Consolidated Financial Information is as follows:

For the year ended 31 March 2025:

Clause (ii)(b) of CARO 2020, Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

Quarter	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Whether return/ statement subsequently rectified
31 March 2025	HDFC Bank, Yes Bank and Axis Bank	Trade Receivables, Inventory, net of trade payables	1,386.50	1,523.88	137.38	Yes

Clause (vii)(a) of CARO 2020, Order

The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities, though there has been slight delay in one case of Provident Fund and Employees State Insurance.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable, except as mentioned below:

Name of the statute	Nature of the dues	Amount	Period to which the amount relates	Due date	Date of payment	Remarks, if any
Employee Provident funds and Miscellaneous Provisions Act, 1952	Provident Fund	0.13	April 2022 - August 2024	Various	Not paid as on the date of the audit report	None

Clause (xi)(a) of CARO 2020, Order

During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year except as stated in Note 53 to the standalone financial statements. Note 53 states that certain employees of the Company received kickbacks amounting to Rs. 38.24 million during the period from November 2019 to November 2024. The investigation has been completed, and necessary rectification adjustments have been made in the financial statements for the year ended 31 March 2025.

For the year ended 31 March 2024:

Clause (ii)(b) of CARO 2020, Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

Quarter	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Whether return/ statement subsequently rectified
31 March 2024	HDFC Bank, Yes Bank and Axis Bank	Trade Receivables, Inventory net of trade payables	1,225.30	1,103.80	121.50	Yes

Annexure VI - Statement of Restated Adjustments to the Audited Consolidated Financial Information

(All amounts are in Rs. million, except share data and per share data, unless otherwise stated)

For the year ended 31 March 2023:

Clause ii(b) of CARO 2020, Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

Quarter	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Whether return/ statement subsequently rectified
30 June 2022	Yes Bank and HDFC Bank	Trade Receivables, Inventory, net of trade payables	528.80	1,009.70	480.90	Yes
30 September 2022	Yes Bank and HDFC Bank	Trade Receivables, Inventory, net of trade payables	520.50	1,002.70	482.20	Yes

(iii) Matter included in the Independent Auditor's Report of the Financial Statements of Shivaarna Technofoams Private Limited which does not require any corrective adjustment in the Restated Consolidated Financial Information is as follows:

For the year ended 31 March 2025:

Clause (ii)(b) of CARO 2020, Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

Quarter	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Whether return/ statement subsequently rectified
31 March 2025	Yes Bank	Trade Receivables, Inventory, net of trade payables	288.35	301.66	13.31	Yes

For the year ended 31 March 2023:

Clause xvii of CARO 2020, Order

Based on our examination, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year the Company has incurred cash losses of Rs 62.39 million.

(iv) Matter included in the Independent Auditor's Report of the Financial Statements of Sleepyhead Home Décor Private Limited which does not require any corrective adjustment in the Restated Consolidated Financial Information is as follows:

For the year ended 31 March 2023:

Clause xvii of CARO 2020, Order

The Company has incurred cash losses of Rs. 259.68 million in the current financial year and Rs. 257.31 million in the immediately preceding financial year.

(v) Matter included in the Independent Auditor's Report of the Financial Statements of Rem42 Technologies Private Limited which does not require any corrective adjustment in the Restated Consolidated Financial Information is as follows:

For the year ended 31 March 2023:

Clause xvii of CARO 2020, Order

The Company has incurred cash losses of Rs. 102.80 million in the current financial year and Rs. 54.10 million in the immediately preceding financial year.

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(d) Reporting on other legal and regulatory requirements included in Independent Auditor's Report not requiring adjustments to Restated Consolidated Financial Information

(i) Matter included in Other Legal and Regulatory requirements of the Consolidated Financial Statements of Duroflex Limited (formerly known as Duroflex Private Limited) which does not require any corrective adjustment in the Restated Consolidated Financial Information is as follows:

For the year ended 31 March 2025:

2A(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report/reports of the other auditor except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

2B(f) Based on our examination which included test checks and as communicated by the respective auditors of the subsidiary companies which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Holding Company and its subsidiary companies have used accounting softwares for maintaining its books of accounts, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the respective softwares:

- In respect of an accounting software used by the Holding Company and its two subsidiary companies for maintaining sales records, purchases, fixed assets, inventories, general ledgers and other sub-ledgers, the feature of recording audit trail (edit log) facility was not enabled at the application level for certain fields relating to inventory and for certain changes at the application level which were performed by users having privileged access rights.

- In respect of Holding Company and its one subsidiary company, an accounting software used for maintaining sales records, purchases, fixed assets, inventories, general ledgers, and other sub-ledgers for a period from 1 April 2024 to 31 October 2024, the feature of recording audit trail (edit log) was enabled but due to limitations in the system configuration, we are unable to comment on whether there were any instances of the audit trail feature being tampered with.

- In respect of one subsidiary company, an accounting software used for maintaining sales records, fixed assets, general ledgers and other sub-ledgers for a period from 1 November 2024 to 31 March 2025, the feature of recording audit trail (edit log) facility for certain changes at the application level which were performed by users having privileged access rights.

- In respect of one subsidiary company, an accounting software used for maintaining accounting records, the feature of recording audit trail (edit log) was not enabled.

Further, for the periods where the audit trail (edit log) facility was enabled and operated, we did not come across any instance of audit trail feature being tampered with. Additionally, except where the audit trail was not enabled in the previous year, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For the year ended 31 March 2024:

2A(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report/reports of the other auditor except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

2B(f) Based on our examination which included test checks and as communicated by the respective auditors of the subsidiary companies which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Holding Company and its subsidiary companies have used accounting softwares for maintaining its books of accounts, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the respective softwares:

- In respect of an accounting software used by the Holding Company and its two subsidiary companies for maintaining sales records, purchases, fixed assets, inventories, general ledgers and other sub-ledgers, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes and at the application level for certain changes which were performed by users having privileged access rights.

- In respect of an accounting software used by the Holding Company and its two subsidiary companies for maintaining payroll records which is operated by a third-party software service provider, in the absence of relevant controls in the Service Organisation Control (SOC) reports, we are unable to comment whether audit trail (edit log) facility was enabled at the database level and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

- In respect of Holding Company and its one subsidiary company, an accounting software used for maintaining sales record, purchases, fixed assets, inventories, payroll, general ledgers and other sub-ledgers did not have the feature of recording audit trail (edit log) facility for the period from 1 April 2023 to 11 February 2024. Subsequently, for the period from 12 February 2024 to 31 March 2024 the feature of recording audit trail (edit log) facility was enabled, but due to limitations in the system configuration, we are unable to comment whether there were any instances of the audit trail feature being tampered with.

Further, for the periods where the audit trail (edit log) facility was enabled and operated, we did not come across any instance of audit trail feature being tampered with.

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Annexure VI - Statement of Restated Adjustments to the Audited Consolidated Financial Information

(All amounts are in Rs. million, except share data and per share data, unless otherwise stated)

(ii) Matter included in Other Legal and Regulatory requirements of the Standalone Financial Statements of Duroflex Limited (formerly known as Duroflex Private Limited) which does not require any corrective adjustment in the Restated Consolidated Financial Information is as follows:

For the year ended 31 March 2025:

2A(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

2B(f) Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of accounts, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the respective softwares:

- In respect of an accounting software used for maintaining sales records, purchases, fixed assets, inventories, general ledgers and other sub-ledgers, the feature of recording audit trail (edit log) facility was not enabled at the application level for certain fields relating to inventory and for certain changes at the application level which were performed by users having privileged access rights.

- In respect of an accounting software, with respect to a business transferred to the Company in the previous year, used for maintaining sales record, purchases, fixed assets, inventories, payroll, general ledgers and other sub-ledgers did not have the feature of recording audit trail (edit log) facility for the period from 1 April 2024 to 31 October 2024, the feature of recording of audit trail (edit log) was enabled but due to limitations in system configuration we are unable to comment whether there were any instances of the audit trail feature being tampered with.

Further, for the periods where the audit trail (edit log) facility was enabled and operated, we did not come across any instance of audit trail feature being tampered with. Additionally, except where the audit trail was not enabled in the previous year, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For the year ended 31 March 2024:

2A(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

2B(f) Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of accounts, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the respective softwares:

In respect of an accounting software used for maintaining sales records, purchases, fixed assets, inventories, general ledgers and other sub-ledgers, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes and at the application level for certain changes which were performed by users having privileged access rights.

In respect of an accounting software used for maintaining payroll records, the Company has used an accounting software which is operated by a third-party software service provider. In the absence of relevant controls in the Service Organisation Control (SOC) reports, we are unable to comment whether audit trail (edit log) facility was enabled at the database level and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with.

In respect of an accounting software, with respect to a business transferred to the Company in the current year, used for maintaining sales record, purchases, fixed assets, inventories, payroll, general ledgers and other sub-ledgers did not have the feature of recording audit trail (edit log) facility for the period from 1 April 2023 to 11 February 2024. Subsequently, for the period from 12 February 2024 to 31 March 2024 the feature of recording audit trail (edit log) facility was enabled, but due to limitations in the system configuration, we are unable to comment whether there were any instances of the audit trail feature being tampered with.

Further, for the periods where the audit trail (edit log) facility was enabled and operated, we did not come across any instance of audit trail feature being tampered with.

(iii) Matter included in Other Legal and Regulatory requirements of the Financial Statements of Shivaarna Technofoams Private Limited which does not require any corrective adjustment in the Restated Consolidated Financial Information is as follows:

For the year ended 31 March 2025:

2A(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

2B(f) Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of accounts, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the respective softwares:

- In respect of an accounting software used for maintaining sales records, purchases, fixed assets, inventories, general ledgers and other sub-ledgers, the feature of recording audit trail (edit log) facility was not enabled at the application level for certain fields relating to inventory and for certain changes at the application level which were performed by users having privileged access rights.

Further, for the periods where the audit trail (edit log) facility was enabled and operated, we did not come across any instance of audit trail feature being tampered with. Additionally, except where the audit trail was not enabled in the previous year, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Annexure VI - Statement of Restated Adjustments to the Audited Consolidated Financial Information

(All amounts are in Rs. million, except share data and per share data, unless otherwise stated)

For the year ended 31 March 2024:

2h (vi.) Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of accounts, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the respective softwares:

In respect of an accounting software used for maintaining sales records, purchases, fixed assets, inventories, general ledgers and other sub-ledgers, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes and at the application level for certain changes which were performed by users having privileged access rights.

In respect of an accounting software used for maintaining payroll records, the Company has used an accounting software which is operated by a third-party software service provider. In the absence of relevant controls in the Service Organisation Control (SOC) reports, we are unable to comment whether audit trail (edit log) facility was enabled at the database level and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

Further, for the periods where the audit trail (edit log) facility was enabled and operated, we did not come across any instance of audit trail feature being tampered with.

(iv) Matter included in Other Legal and Regulatory requirements of the Financial Statements of Sleepyhead Home Décor Private Limited which does not require any corrective adjustment in the Restated Consolidated Financial Information is as follows:

For the year ended 31 March 2025:

2A(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

2B(f) Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of accounts, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the respective softwares:

- In respect of an accounting software used for maintaining sales records, fixed assets, general ledgers and other sub-ledgers for a period from 1 April 2024 to 31 October 2024, the feature of recording audit trail (edit log) was enabled but due to limitations in the system configuration, we are unable to comment on whether there were any instances of the audit trail feature being tampered with.

- In respect of an accounting software used for maintaining sales records, fixed assets, general ledgers and other sub-ledgers for a period from 1 November 2024 to 31 March 2025, the feature of recording audit trail (edit log) facility for certain changes at the application level which were performed by users having privileged access rights.

Further, for the periods where the audit trail (edit log) facility was enabled and operated, we did not come across any instance of audit trail feature being tampered with. Additionally, except where the audit trail was not enabled in the previous year, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For the year ended 31 March 2024:

2(j). As required under Rule 3(1) of the Companies (Accounts) Rules, 2014 and as amended, based on our examination which included test checks, the Company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility which has been operated from 12 Feb 2024 for all the transactions recorded in the software and the audit trail feature has not been tampered with and the same has been preserved from the above mentioned date by the Company as per the statutory requirements for record retention.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 and as amended is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and as amended on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

(v) Matter included in Other Legal and Regulatory requirements of the Financial Statements of Rem42 Technologies Private Limited which does not require any corrective adjustment in the Restated Consolidated Financial Information is as follows:

For the year ended 31 March 2025:

2A(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

2B(f) Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of accounts, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the respective softwares:

In respect of an accounting software used by the Company for maintaining sales records, purchases, fixed assets, general ledgers and other sub-ledgers, the feature of recording audit trail (edit log) facility for certain changes at the application level which were performed by users having privileged access rights.

Further, for the periods where the audit trail (edit log) facility was enabled and operated, we did not come across any instance of audit trail feature being tampered with. Additionally, except where the audit trail was not enabled in the previous year, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Annexure VI - Statement of Restated Adjustments to the Audited Consolidated Financial Information

(All amounts are in Rs. million, except share data and per share data, unless otherwise stated)

For the year ended 31 March 2024:

2A(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

2B(f) Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of accounts, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the respective softwares:

In respect of an accounting software used for maintaining sales records, purchases, fixed assets, inventories, general ledgers and other sub-ledgers, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes and at the application level for certain changes which were performed by users having privileged access rights.

In respect of an accounting software used for maintaining payroll records, the Company has used an accounting software which is operated by a third-party software service provider. In the absence of relevant controls in the Service Organisation Control (SOC) reports, we are unable to comment whether audit trail (edit log) facility was enabled at the database level and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with.

Further, for the periods where the audit trail (edit log) facility was enabled and operated, we did not come across any instance of audit trail feature being tampered with.

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3 Property, plant and equipment

Reconciliation of carrying amount

	Office equipments	Computers & its peripherals	Freehold land*	Buildings*	Vehicles	Electrical equipment	Furniture & Fixtures	Leasehold Improvements	Plant and Machinery	Total
Cost										
Balance as at 1 April 2022	18.89	59.29	48.73	491.52	22.90	34.50	50.00	190.10	1,017.89	1,933.82
Additions during the year	8.53	11.40	-	135.62	-	3.49	17.83	106.39	152.90	436.16
Disposals during the year	(0.10)	-	-	-	(2.48)	(0.51)	(0.90)	(35.31)	(46.74)	(86.04)
Balance as at 31 March 2023	27.32	70.69	48.73	627.14	20.42	37.48	66.93	261.18	1,124.05	2,283.94
Additions during the year	3.77	2.73	-	14.08	-	0.37	5.02	59.93	45.20	131.10
Disposals during the year	-	-	-	(0.34)	-	-	(0.01)	-	(16.45)	(16.80)
Balance as at 31 March 2024	31.09	73.42	48.73	640.88	20.42	37.85	71.94	321.11	1,152.80	2,398.24
Additions during the year	1.95	2.10	-	12.01	0.99	0.06	3.64	14.51	39.90	75.16
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2025	33.04	75.52	48.73	652.89	21.41	37.91	75.58	335.62	1,192.70	2,473.40
Additions during the period	-	-	-	-	21.15	6.02	-	8.40	8.04	43.61
Disposals during the period	-	-	-	-	-	-	-	-	-	-
Write off**	-	-	-	-	-	-	-	(4.46)	-	(4.46)
Balance as at 30 June 2025	33.04	75.52	48.73	652.89	42.56	43.93	75.58	339.56	1,200.74	2,512.55
Accumulated depreciation										
Balance as at 1 April 2022	4.10	14.50	-	18.30	2.70	4.60	4.00	34.80	58.79	141.79
Depreciation during the year	8.27	21.73	-	25.83	3.48	5.00	10.50	75.93	109.96	260.70
Disposals during the year	(0.09)	-	-	-	(2.35)	(0.43)	(0.59)	(28.81)	(6.78)	(39.05)
Balance as at 31 March 2023	12.28	36.23	-	44.13	3.83	9.17	13.91	81.92	161.97	363.44
Depreciation during the year	8.37	18.80	-	29.96	3.41	4.59	10.24	70.32	91.77	237.46
Disposals during the year	-	-	-	(0.17)	-	-	(0.01)	-	(5.38)	(5.56)
Balance as at 31 March 2024	20.65	55.03	-	73.92	7.24	13.76	24.14	152.24	248.36	595.34
Depreciation during the year	6.35	10.18	-	27.91	3.10	4.14	9.32	75.64	102.54	239.18
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2025	27.00	65.21	-	101.83	10.34	17.90	33.46	227.88	350.90	834.52
Depreciation during the period	0.74	1.28	-	6.48	0.77	1.03	1.70	18.15	26.20	56.35
Disposals during the period	-	-	-	-	-	-	-	-	-	-
Write off**	-	-	-	-	-	-	-	(1.58)	-	(1.58)
Balance as at 30 June 2025	27.74	66.49	-	108.31	11.11	18.93	35.16	244.45	377.10	889.29
Net carrying amount										
As at 30 June 2025	5.30	9.03	48.73	544.58	31.45	25.00	40.42	95.11	823.64	1,623.26
As at 31 March 2025	6.04	10.31	48.73	551.06	11.07	20.01	42.12	107.74	841.80	1,638.88
As at 31 March 2024	10.44	18.39	48.73	566.96	13.18	24.09	47.80	168.87	904.44	1,802.90
As at 31 March 2023	15.04	34.46	48.73	583.01	16.59	28.31	53.02	179.26	962.08	1,920.50

The Group has pari-passu charge on the property, plant and equipment towards the loans availed by the Group (refer note 22 and 26).

Refer note 42 for disclosure of contractual commitments for acquisition of property, plant and equipment.

* Title deeds of all the immovable properties are held in the name of the respective companies in the Group.

** During the three months period ended 30 June 2025, the Group has written off certain property, plant and equipment pursuant to assessment of usability of property, plant and equipment. The loss on write off of property, plant and equipment is presented under other expenses in the Restated Consolidated Statement of Profit and Loss.

4 Capital work-in-progress (CWIP)

4.1 Reconciliation of carrying amount

Particulars	Capital work-in-progress
Balance as at 1 April 2022	22.40
Additions during the year	405.94
Capitalized during the year	(407.14)
Balance as at 31 March 2023	21.20
Additions during the year	102.51
Capitalized during the year	(112.94)
Balance as at 31 March 2024	10.77
Additions during the year	58.01
Capitalized during the year	(38.85)
Balance as at 31 March 2025	29.93
Additions during the period	116.35
Capitalized during the period	(16.44)
Balance as at 30 June 2025	129.84

4.2 Ageing of Capital work-in-progress (CWIP):

As at 30 June 2025	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	120.44	-	-	-	120.44
Projects temporarily suspended*	-	-	0.41	8.99	9.40
	120.44	-	0.41	8.99	129.84

As at 31 March 2025	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	20.53	-	-	-	20.53
Projects temporarily suspended*	-	-	9.40	-	9.40
	20.53	-	9.40	-	29.93

As at 31 March 2024	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	1.37	-	-	-	1.37
Projects temporarily suspended*	-	9.40	-	-	9.40
	1.37	9.40	-	-	10.77

As at 31 March 2023	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	2.23	9.57	-	-	11.80
Projects temporarily suspended*	9.40	-	-	-	9.40
	11.63	9.57	-	-	21.20

* This pertains to construction of new office building in factory whose construction has been temporarily suspended by the Group. The expected completion date of the project will be determined by the Management in due course. Hence the expected completion date of the project has not been disclosed.

4.3 Capital work-in-progress balances as at the reporting dates are not over due / exceeding the cost compared to its original plan, hence disclosure pertaining to over due CWIP has not been provided.

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5 Investment property**A. Reconciliation of carrying amount**

Particulars	Freehold land	Buildings	Total
Cost			
Balance as at 1 April 2022	10.08	4.48	14.56
Additions during the year	-	-	-
Disposals during the year	-	-	-
Balance as at 31 March 2023	10.08	4.48	14.56
Additions during the year	-	-	-
Disposals during the year	-	-	-
Balance as at 31 March 2024	10.08	4.48	14.56
Additions during the year	-	-	-
Disposals during the year	-	-	-
Balance as at 31 March 2025	10.08	4.48	14.56
Transferred out pursuant to the scheme of arrangement (refer note 53)	(10.08)	(4.48)	(14.56)
Additions during the period	-	-	-
Disposals during the period	-	-	-
Balance as at 30 June 2025	-	-	-

Accumulated depreciation

Balance as at 1 April 2022	-	0.50	0.50
Depreciation during the year	-	0.50	0.50
Disposals during the year	-	-	-
Balance as at 31 March 2023	-	1.00	1.00
Depreciation during the year	-	0.50	0.50
Disposals during the year	-	-	-
Balance as at 31 March 2024	-	1.50	1.50
Depreciation during the year	-	0.50	0.50
Disposals during the year	-	-	-
Balance as at 31 March 2025	-	2.00	2.00
Transferred out pursuant to the scheme of arrangement (refer note 53)	-	(2.00)	(2.00)
Depreciation during the period	-	-	-
Disposals during the period	-	-	-
Balance as at 30 June 2025	-	-	-

Net carrying amount

As at 30 June 2025	-	-	-
As at 31 March 2025	10.08	2.48	12.56
As at 31 March 2024	10.08	2.98	13.06
As at 31 March 2023	10.08	3.48	13.56

Fair value

As at 30 June 2025	-	-	-
As at 31 March 2025	690.76	59.42	750.18
As at 31 March 2024	679.70	64.85	744.55
As at 31 March 2023	625.80	67.39	693.19

Investment property comprises of commercial properties that are leased to third parties. Each of the leases contains an initial non-cancellable period of 2 years. Subsequent renewals are negotiated with the lessee and historically the average renewal period is four years. Further information about these leases is included in note 6B.

The Group has no restrictions on the realisability of investment property or on the remittance of income and proceeds of disposal.

Also there are no contractual obligations in relation investment property disclosed above.

B. Amounts recognised in Restated Consolidated Statement of Profit and Loss

Rental income recognised by the Group during the three months period ended 30 June 2025 is Rs. Nil (31 March 2025 : Rs 3.76 million) (31 March 2024 : Rs 4.67 million) (31 March 2023: Rs 5.30 million) and was included in 'Other income' (refer note 32). The Group has incurred an amount of Rs. Nil during the period ended 30 June 2025 (31 March 2025 : Rs 0.71 million) (31 March 2024 : Rs 0.76 million) (31 March 2023: Nil) as other operating expenses in relation to the investment properties.

C. Measurement of fair values**i. Fair value hierarchy**

The fair value of investment property was determined by an accredited external independent registered property valuer. The said property valuer is a registered valuer as defined under Rule 2 of the Companies (Registered Valuer and Valuation) Rules, 2017.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used (refer note 2(i)(f)).

ii. Valuation technique

The procedure adopted for valuation is on the basis of comparative recent sale value method. The present market value of property was arrived after applying depreciation based on the quality and type of the construction, quality and type of materials used, specifications, present condition, age, future life, potential marketability and other parameters given in the report.

6 Leases**A. Leases as lessee**

The Group has taken various building premises and warehouses under lease arrangements.

i) Right-of-use assets

The details of the right-of-use asset held by the Group is as follows:

Particulars	Gross amount	Accumulated Depreciation	Net carrying amount
Balance as at 1 April 2022	573.10	97.80	475.30
Additions during the year	49.19	-	49.19
Depreciation charge during the year	-	143.07	(143.07)
Derecognition during the year*	(63.64)	(19.29)	(44.35)
Balance as at 31 March 2023	558.65	221.58	337.07
Additions during the year	217.63	-	217.63
Depreciation charge during the year	-	164.34	(164.34)
Derecognition during the year*	(3.85)	(1.08)	(2.77)
Balance as at 31 March 2024	772.43	384.84	387.59
Additions during the year	742.32	-	742.32
Depreciation charge during the year	-	163.61	(163.61)
Derecognition during the year*	(204.33)	(198.36)	(5.97)
Balance as at 31 March 2025	1,310.42	350.09	960.33
Additions during the period	17.31	-	17.31
Depreciation during the period	-	45.07	(45.07)
Derecognition during the period*	(8.43)	(8.43)	-
Balance as at 30 June 2025	1,319.30	386.73	932.57

ii) Movement of lease liabilities

Particulars	Amount
Balance as at 1 April 2022	503.58
Additions during the year	47.54
Interest accrued during the year	33.11
Payments of lease liabilities	(153.30)
Derecognition during the year*	(48.09)
Balance as at 31 March 2023	382.84
Additions during the year	210.03
Interest accrued during the year	41.76
Payments of lease liabilities	(193.64)
Derecognition during the year*	(3.07)
Balance as at 31 March 2024	437.92
Additions during the year	726.86
Interest accrued during the year	39.60
Payments of lease liabilities	(196.05)
Derecognition during the year*	(6.37)
Balance as at 31 March 2025	1,001.96
Additions during the period	16.74
Interest accrued during the period	23.04
Payments of lease liabilities	(43.48)
Derecognition during the period*	(14.64)
Balance as at 30 June 2025	983.62

*During the three months period ended 30 June 2025 and financial years ended 31 March 2025, 31 March 2024 and 31 March 2023 the Group has foreclosed certain leases and accordingly has derecognised the right-of-use asset and lease liability. The derecognition has resulted in a gain of Rs. Nil (31 March 2025: Rs. 0.41 million) (31 March 2024: Rs. 0.30 million) (31 March 2023: Rs. 3.74 million) which has been accounted as other income (refer note 32). Also, there are certain leases whose lock-in-period is expired during the three months period ended 30 June 2025 and year ended 31 March 2025 and hence derecognised the right-of-use asset.

Current and non-current classification:

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Current	108.26	117.98	152.04	130.82
Non-current	875.36	883.98	285.88	252.02

6 Leases (continued)

iii) Amount recognised in Restated Consolidated Statement of Profit and Loss:

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation expense on right-of -use assets (refer note 37)	45.07	163.61	164.34	143.07
Interest expense on lease liabilities (refer note 36)	23.04	39.60	41.76	33.11
Expense relating to short term leases (refer note 38)	57.12	152.67	122.21	118.88
Gain on termination of lease (refer note 32)	-	(0.41)	(0.30)	(3.74)
Total	125.23	355.47	328.01	291.32

There are no variable lease payments.

iv) Maturity analysis of lease liabilities - contractual undiscounted cash flows

The table below provides details regarding the contractual maturities of lease liabilities as of 30 June 2025, 31 March 2025, 31 March 2024 and 31 March 2023 on an undiscounted basis:

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Less than one year	195.53	190.73	178.54	176.39
One to five years	541.78	546.19	284.04	336.07
More than five years	825.18	843.73	72.33	19.67
Total	1,562.49	1,580.65	534.91	532.13

v) Amount recognised in Restated Consolidated Statement of Cash flows:

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Principle cash outflow for leases	20.44	156.45	151.88	120.19
Interest cash outflow for leases	23.04	39.60	41.76	33.11
Total	43.48	196.05	193.64	153.30

B. Leases as lessor

The Group leases out its property including its investment property. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Note 5 sets out information about the operating leases of investment property.

Rental income recognised by the Group during the three months period ended 30 June 2025 was Rs. 4.66 million (31 March 2025: Rs. 24.26 million) (31 March 2024: Rs. 17.71 million) (31 March 2023: Rs. 5.99 million).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Less than one year	6.99	12.16	14.71	10.86
One to two years	-	-	2.97	0.24
Two to three years	-	-	-	-
Three to four years	-	-	-	-
Four to five years	-	-	-	-
More than five years	-	-	-	-
Total	6.99	12.16	17.68	11.10

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7 Intangible assets

Particulars	Computer software	Website	Total Other Intangible Assets	Goodwill
Balance as at 1 April 2022	58.50	1.80	60.30	113.73
Additions during the year	51.91	1.53	53.44	-
Disposals during the year	-	-	-	-
Balance as at 31 March 2023	110.41	3.33	113.74	113.73
Additions during the year	26.98	3.70	30.68	-
Disposals during the year	-	-	-	-
Balance as at 31 March 2024	137.39	7.03	144.42	113.73
Additions during the year	5.87	-	5.87	0.20
Disposals during the year	-	-	-	-
Balance as at 31 March 2025	143.26	7.03	150.29	113.93
Additions during the period	-	-	-	-
Disposals during the period	-	-	-	(0.20)
Balance as at 30 June 2025	143.26	7.03	150.29	113.73
Accumulated amortisation and impairment				
Balance as at 1 April 2022	17.20	0.20	17.40	-
Amortisation for the year	40.55	0.72	41.27	-
Impairment for the year*	25.20	-	25.20	-
Disposals during the year	-	-	-	-
Balance as at 31 March 2023	82.95	0.92	83.87	-
Amortisation for the year	31.24	1.48	32.72	-
Disposals during the year	-	-	-	-
Balance as at 31 March 2024	114.19	2.40	116.59	-
Amortisation for the year	13.12	1.66	14.78	-
Disposals during the year	-	-	-	-
Balance as at 31 March 2025	127.31	4.06	131.37	-
Amortisation for the period	1.69	0.39	2.08	-
Disposals during the period	-	-	-	-
Balance as at 30 June 2025	129.00	4.45	133.45	-
Net carrying amount				
As at 30 June 2025	14.26	2.58	16.84	113.73
As at 31 March 2025	15.95	2.97	18.92	113.93
As at 31 March 2024	23.20	4.63	27.83	113.73
As at 31 March 2023	27.46	2.41	29.87	113.73

* During the financial year ended 31 March 2023, the Group had developed an application to monitor sleep behaviour of its users and hence capitalised the intangible asset under development. However, based on the market research, the Group is no longer pursuing the said project for the time being and hence impaired the balance outstanding at the year end. The same has been recognised as impairment losses.

Research and development costs that are not eligible for capitalisation have been expensed off amounting to Rs. Nil for the three months period ended 30 June 2025 and for the years ended (31 March 2025: Nil) (31 March 2024: Nil) (31 March 2023: Rs. 1.34 million) and they are recognised in other expenses.

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7 Intangible assets (continued)

7.1 Impairment testing for CGUs

For the purposes of impairment testing, goodwill has been allocated to the Group's cash generating units (operating divisions) representing the smallest identifiable group of assets that generates cash inflows that are largely independent of cash inflows from other assets or group of assets. Goodwill is tested for impairment at least annually in accordance with the Group's procedure for determining the reasonable value of the cash generating unit.

The carrying value of goodwill allocated to the identified CGU's is as follows:

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Shivaarna Technofoams Private Limited	113.73	113.73	113.73	113.73
Vazhathoppil Enterprises Private Limited	-	0.20	-	-
Carrying value of goodwill	113.73	113.93	113.73	113.73

The recoverable amount of the CGUs are based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGUs. The fair value measurement was categorised as a Level 3 fair value based on inputs in the valuation technique used.

The calculation uses cashflow projections based on financial budgets approved by the management covering a five year period. Cash flows beyond the five year period have been extrapolated using constant terminal growth rate. This growth does not exceed the long term growth of the market.

The recoverable amount of the CGUs is determined to be higher than the carrying amount and accordingly no impairment loss has been recorded.

The key assumptions used in the estimation of the recoverable amount of Shivaarna Technofoams Private Limited's CGU are set out below:

Particulars	30 June 2025	31 March 2025	31 March 2024	31 March 2023
Discount rate	16.88%	16.88%	18.20%	15.49%
Terminal value growth rate	5.00%	5.00%	5.00%	5.00%

Earnings before interest, tax, depreciation and amortisation ("EBITDA") growth rate is average of future projections.

The discount rate was a post-tax measure estimated based on the historical industry average weighted-average cost of capital, with a possible debt leveraging of 3.5%-4.7% at a market interest rate of 6.47%-7.30%.

The values assigned to the key assumptions represent management's assessment of future trends and based on historical data from both external and internal sources. The cash flow projections include specific estimates developed using internal forecasts. The Group believes that any reasonable possible change in the key assumptions on which the recoverable amount is based on, would not cause the aggregate carrying amount to exceed the recoverable amount of CGU.

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8 Intangible assets under development (IAUD)

8.1 Reconciliation of carrying amount

Particulars	Intangible assets under development
Gross carrying amount	
Balance as at 1 April 2022	29.90
Additions during the year	12.98
Capitalised during the year	(36.28)
Balance as at 31 March 2023	6.60
Additions during the year	-
Capitalised during the year	(6.60)
Balance as at 31 March 2024	-
Additions during the year	0.82
Capitalised during the year	-
Balance as at 31 March 2025	0.82
Additions during the period	-
Capitalised during the period	-
Balance as at 30 June 2025	0.82

8.2 Intangible assets under development ageing schedule for the three months period ended 30 June 2025 is as follows:

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	0.82	-	-	-	0.82
Projects temporarily suspended	-	-	-	-	-
	0.82	-	-	-	0.82

Intangible assets under development ageing schedule for the year ended 31 March 2025 is as follows:

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	0.82	-	-	-	0.82
Projects temporarily suspended	-	-	-	-	-
	0.82	-	-	-	0.82

Intangible assets under development ageing schedule for the year ended 31 March 2024 is as follows:

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

Intangible assets under development ageing schedule for the year ended 31 March 2023 is as follows:

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	6.60	-	-	-	6.60
Projects temporarily suspended	-	-	-	-	-
	6.60	-	-	-	6.60

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9 Non-current investments

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Unquoted				
Investment in equity instruments fully paid-up (Unless otherwise stated)				
<i>Carried at fair value through other comprehensive income</i>				
893 (31 March 2025: 893) (31 March 2024: 893) (31 March 2023: 893) equity shares of Rs.10 each partly paid up in Blackbeard Technologies Private Limited	1.20	1.20	1.20	1.20
Less: Provision for impairment in value of investment	(1.20)	(1.20)	(1.20)	(1.20)
1,691,209 (31 March 2025: 1,691,209) (31 March 2024: 1,691,209) (31 March 2023: 1,691,209) series seed preference stock of US Dollar 0.00001 each fully paid in Neurobit Inc.	75.50	75.50	75.50	75.50
Less: Provision for impairment in value of investment	(75.50)	(75.50)	(75.50)	(33.18)
	-	-	-	42.32
<i>Carried at fair value through profit and loss</i>				
2 (31 March 2025: Nil) (31 March 2024: Nil) (31 March 2023: Nil) equity shares of Rs.10 each fully paid up in Vazhathoppil Enterprises Private Limited (refer note 53)	-	-	-	-
	-	-	-	-
	-	-	-	42.32
Aggregate value of unquoted investments	76.70	76.70	76.70	76.70
Aggregate amount of impairment in value of investments	(76.70)	(76.70)	(76.70)	(34.38)

10 Loans

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Unsecured, considered doubtful				
Advances given	-	-	10.99	10.99
Less: Loss allowance	-	-	(10.99)	(10.99)
	-	-	-	-

11 Other financial assets - Non current

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good				
Fixed deposits with original maturity and remaining maturity for more than 12 months (refer note 15)	149.87	16.38	0.62	15.51
Capital subsidy receivable from government authorities	72.13	101.09	21.77	32.67
Security deposits	167.13	153.64	140.64	134.54
	389.13	271.11	163.03	182.72
Unsecured, considered doubtful				
Security deposits	1.40	1.40	1.40	1.40
Less: Loss allowance	(1.40)	(1.40)	(1.40)	(1.40)
	-	-	-	-
	389.13	271.11	163.03	182.72

12 Other non-current assets

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good				
Capital advances	64.31	43.40	2.33	8.54
Balances with government authorities	16.35	16.35	-	-
	80.66	59.75	2.33	8.54
Unsecured, considered doubtful				
Capital advances	4.76	4.76	3.71	2.61
Less: Loss allowance	(4.76)	(4.76)	(3.71)	(2.61)
	-	-	-	-
	80.66	59.75	2.33	8.54

13 Inventories*

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Raw materials [includes goods in transit of Rs. 6.84 million (31 March 2025: Rs. 121.70 million) (31 March 2024: Rs. 58.30 million) (31 March 2023: Rs. 125.80 million)]	338.85	364.97	263.61	361.46
Finished goods	338.64	283.14	293.69	240.21
Semi-finished goods	222.45	206.53	186.04	160.80
Packing material	38.97	26.02	19.57	24.52
Stores and spares	38.69	37.11	31.25	24.70
Stock in trade [includes goods in transit of Rs Nil (31 March 2025: Nil) (31 March 2024: Rs. Nil) (31 March 2023: Rs. 4.30 million)]	79.14	81.22	72.02	176.81
Right to recover return goods	6.67	4.88	16.38	28.07
	1,063.41	1,003.87	882.56	1,016.57

*Net of provision of Rs. 114.58 million (31 March 2025: Rs.97.12 million) (31 March 2024: Rs.122.17 million) (31 March 2023: Rs.135.00 million) as per breakup given below.

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Raw materials	20.89	22.51	31.55	22.74
Finished goods	57.82	40.64	44.68	39.09
Semi-finished goods	10.44	10.26	12.63	16.02
Packing material	4.03	3.62	3.29	5.08
Stock in trade	21.40	20.09	30.02	52.07
	114.58	97.12	122.17	135.00

Refer note 2(xiv)

Inventories have been pledged to secure the borrowings of the Group (refer note 22 & 26).

The cost of material consumed recognised as an expense includes Rs. 1.87 million (31 March 2025: 0.44 million) (31 March 2024: Rs. 1.26 million) (31 March 2023: Rs. 2.00 million) in respect of write down of inventory to net-realisable value.

14 Trade receivables

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Trade receivables considered good - unsecured	1,082.52	902.42	769.50	817.63
Trade receivables – credit impaired	217.08	210.74	163.86	116.11
Total trade receivables	1,299.60	1,113.16	933.36	933.74
Less: Allowance for expected credit loss	(217.08)	(210.74)	(180.28)	(148.91)
Net trade receivables	1,082.52	902.42	753.08	784.84

Of the above, trade receivables from related parties are as below:

Trade receivables due from related parties (refer note 46)	-	-	-	0.20
Less: Allowance for expected credit loss	-	-	-	-
Net trade receivables	-	-	-	0.20

Ageing of trade receivables as at 30 June 2025

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	551.36	531.16	-	-	-	-	1,082.52
Undisputed trade receivables - credit impaired	-	34.82	52.84	53.81	13.12	22.17	176.76
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	1.44	10.65	10.25	17.98	40.32
Total	551.36	565.98	54.28	64.46	23.37	40.15	1,299.60
Less: Allowance for expected credit loss							(217.08)
Net trade receivables							1,082.52

14 Trade receivables (continued)

Ageing of trade receivables as at 31 March 2025

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	460.62	441.80	-	-	-	-	902.42
Undisputed trade receivables - credit impaired	-	33.14	53.20	49.93	13.04	19.85	169.16
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	0.08	16.12	8.28	17.10	41.58
Total	460.62	474.94	53.28	66.05	21.32	36.95	1,113.16
Less: Allowance for expected credit loss							(210.74)
Net trade receivables							902.42

Ageing of trade receivables as at 31 March 2024

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	507.32	262.18	-	-	-	-	769.50
Undisputed trade receivables - credit impaired	-	35.65	31.61	43.63	12.78	18.09	141.76
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	0.32	2.26	2.10	17.42	22.10
Total	507.32	297.83	31.93	45.89	14.88	35.51	933.36
Less: Allowance for expected credit loss							(180.28)
Net trade receivables							753.08

Ageing of trade receivables as at 31 March 2023

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	540.98	276.65	-	-	-	-	817.63
Undisputed trade receivables - credit impaired	-	-	67.58	5.30	7.80	15.30	95.98
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	2.80	1.00	1.30	15.03	20.13
Total	540.98	276.65	70.38	6.30	9.10	30.33	933.74
Less: Allowance for expected credit loss							(148.91)
Net trade receivables							784.83

i) No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person.

ii) Trade receivables are non-interest bearing and are generally on terms of up to 30-60 days.

iii) Trade receivables have been pledged to secure borrowings of the Group (also refer note 22 & 26).

iv) The Group uses a practical expedient by computing the expected credit loss (ECL) allowance for trade receivables based on a provision matrix. The provision matrix considers historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix (refer note 40).

15 Cash and bank balances

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
15.1 Cash and cash equivalents				
Balances with banks:				
– In current accounts	228.02	213.57	200.90	902.74
– Deposits with original maturity of less than 3 months	50.09	815.40	75.10	0.40
	278.11	1,028.97	276.00	903.14
15.2 Bank balances other than cash and cash equivalents				
– Deposits with banks with original maturity of less than 12 months but more than 3 months	983.90	813.37	1,032.39	1,522.59
	983.90	813.37	1,032.39	1,522.59
	1,262.01	1,842.34	1,308.39	2,425.73

15 Cash and bank balances (continued)

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<u>Details of bank balances/deposits</u>				
Bank deposit with original maturity of 3 months or less included under cash and cash equivalents	50.09	815.40	75.10	0.40
Bank deposits with original maturity within 12 months but more than 3 months included under bank balances other than cash and cash equivalents*	983.90	813.37	1,032.39	1,522.59
Bank deposits with original maturity of more than 12 months but remaining maturity of less than 12 months included under other current financial assets (refer note 17)	160.54	157.84	-	-
Bank deposits with original maturity and remaining maturity of more than 12 months included under other non-current financial assets* (refer note 11)	149.87	16.38	0.62	15.51
	1,344.40	1,802.99	1,108.11	1,538.50

*Deposits - worth Rs 124.74 million (31 March 2025: Rs. 78.78 million) (31 March 2024: Rs. 289.91 million) (31 March 2023: Rs. 1,173.50 million) are in lien with banks on account of the various credit facilities provided by the banks.

16 Loans

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<u>Unsecured, considered good</u>				
Loan to employees	9.35	8.31	5.64	7.48
	9.35	8.31	5.64	7.48

17 Other financial assets - Current

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<u>Unsecured, considered good</u>				
Capital subsidy receivable from government authorities	50.77	39.87	21.80	10.90
Fixed deposits with original maturity for more than 12 months and remaining maturity of less than 12 months (refer note 15)	160.54	157.84	-	-
Corporate fixed deposits	436.36	-	-	-
Other receivables	6.05	2.22	5.54	-
	653.72	199.93	27.34	10.90

18 Other current assets

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<u>Unsecured, considered good</u>				
Balances with government authorities	84.15	96.48	192.24	239.40
Advances to suppliers	51.45	41.32	45.53	68.59
Prepaid expenses	68.76	35.63	38.06	36.58
Employee advances	5.47	7.38	7.35	2.28
	209.83	180.81	283.18	346.85
<u>Unsecured, considered doubtful</u>				
Advances to suppliers	14.38	14.38	8.61	8.61
Advances to distributors	1.23	1.23	1.23	1.23
Less: Loss allowance	(15.61)	(15.61)	(9.84)	(9.84)
	-	-	-	-
	209.83	180.81	283.18	346.85

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19 Share capital

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Authorised				
Equity shares				
11,19,00,000 equity shares of Re.1 each [(31 March 2025: 11,19,00,000 of Re.1 each) (31 March 2024: 1,11,90,000 of Rs. 10 each) (31 March 2023: 1,09,90,000 of Rs. 10 each)]	111.90	111.90	111.90	109.90
Total (A)	111.90	111.90	111.90	109.90
Preference shares				
1,000 12% Cumulative Preference shares of Rs 100 each [(31 March 2025: 1,000) (31 March 2024: 1,000) (31 March 2023: 1,000)]	0.10	0.10	0.10	0.10
Total (B)	0.10	0.10	0.10	0.10
Total (A+B)	112.00	112.00	112.00	110.00
Issued, subscribed and fully paid up				
Equity shares				
5,97,57,860 equity shares of Re. 1 each [(31 March 2025: 5,97,57,860 of Re. 1 each) (31 March 2024: 5,97,57,860 of Rs.10 each) (31 March 2023: 5,97,57,860 of Rs. 10 each)]	59.76	59.76	59.76	59.76
Total	59.76	59.76	59.76	59.76

19.1 Reconciliation of the number of equity shares outstanding at the beginning of the period / year and at the end of the period / year:

Particulars	As at 30 June 2025		As at 31 March 2025	
	Number of shares	Amount	Number of shares	Amount
Opening balance at the beginning of the period / year	59,757,860	59.76	5,975,786	59.76
Shares issued due to stock split during the period / year*	-	-	53,782,074	-
Closing balance at the end of the period / year	59,757,860	59.76	59,757,860	59.76

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Opening balance at the beginning of the year	5,975,786	59.76	5,975,786	59.76
Shares issued during the year	-	-	-	-
Closing balance at the end of the year	5,975,786	59.76	5,975,786	59.76

19.2 Details of shareholders' holding more than 5% of the total number of equity shares

Name of the shareholders	As at 30 June 2025		As at 31 March 2025	
	Number of shares*	% holding	Number of shares*	% holding
Mathew Chandy	9,738,380	16.30%	9,738,380	16.30%
Mathew Antony Joseph	10,422,290	17.44%	10,422,290	17.44%
Mathew George	9,422,740	15.77%	9,422,740	15.77%
Jacob Joseph George	9,726,660	16.28%	9,726,660	16.28%
Lighthouse India Fund III Limited	8,440,730	14.12%	8,440,730	14.12%
Norwest Capital LLC	11,517,230	19.27%	11,517,230	19.27%
	59,268,030	99.18%	59,268,030	99.18%

Name of the shareholders	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% holding	Number of shares	% holding
Mathew Chandy	973,838	16.30%	973,838	16.30%
Mathew Antony Joseph	1,042,229	17.44%	1,042,229	17.44%
Mathew George	942,274	15.77%	942,274	15.77%
Jacob Joseph George	972,666	16.28%	972,666	16.28%
Lighthouse India Fund III Limited	844,073	14.12%	844,073	14.12%
Norwest Capital LLC	1,151,723	19.27%	1,151,723	19.27%
	5,926,803	99.18%	5,926,803	99.18%

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19 Share capital (continued)

19.3 Details of shareholding of promoters:

Promoter name	As at 30 June 2025			As at 31 March 2025		
	Number of shares*	% held	% change during the period	Number of shares*	% held	% change during the year
Mathew Chandy	9,738,380	16.30%	-	9,738,380	16.30%	-
Mathew Antony Joseph	10,422,290	17.44%	-	10,422,290	17.44%	-
Mathew George	9,422,740	15.77%	-	9,422,740	15.77%	-
Jacob Joseph George	9,726,660	16.28%	-	9,726,660	16.28%	-

Promoter name	As at 31 March 2024			As at 31 March 2023		
	Number of shares	% held	% change during the year	Number of shares	% held	% change during the year
Mathew Chandy	973,838	16.30%	-	973,838	16.30%	-
Mathew Antony Joseph	1,042,229	17.44%	-	1,042,229	17.44%	-
Mathew George	942,274	15.77%	-	942,274	15.77%	-
Jacob Joseph George	972,666	16.28%	-	972,666	16.28%	-

*During the year ended 31 March 2025, the Company on 23 October 2024 ("Record Date"), sub-divided the Equity Shares from 1 (One) Equity Share having face value of Rs. 10/- (Rupees Ten only) each fully paid-up, into 10 (Ten) Equity Shares having face value of Re. 1/- (Rupees One only) each fully paid-up.

19.4 Terms of equity shares

The Company has only one class of equity shares with voting rights referred to as equity shares having a par value of Re.1 each. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The rights, preferences and restrictions attached to such equity shares are in accordance with the terms of issue of equity shares under the Companies Act, 2013 and the Articles of Association of the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

19.5 Shares reserved for issue under options :

For details of shares reserved for issue under the stock option plan of the Group, refer note 41.

19.6 Information regarding issue of shares in the last five years:

During the year ended 31 March 2025, the Group has undertaken a share split, whereby each equity share of Rs. 10 was sub-divided into 10 equity share of Re. 1 each.

The Group has not issued any bonus shares or shares other than cash or done a buyback of shares in the immediately preceding five years.

20 Other equity*

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Capital reserve	43.31	43.31	43.31	43.31
Securities premium	2,786.60	2,786.60	2,786.60	2,786.60
General reserve	17.50	17.50	17.50	17.50
Retained earnings	1,107.03	1,068.98	578.42	465.42
Employee stock options outstanding	61.28	56.00	48.80	33.42
Other comprehensive income	(76.72)	(76.72)	(76.72)	(34.40)
Demerger deficit reserve	(44.78)	-	-	-
	3,894.22	3,895.67	3,397.91	3,311.85

*For detailed movement of reserves, refer Restated Consolidated Statement of Changes in Equity.

Nature and purpose of other reserves

Capital reserve

The balance represents capital reserve on account of amalgamation of wholly owned subsidiary, Duroflex Exports Private Limited during financial year 2019-20 and refer note 42 (b) for reserves created against contingencies.

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

General reserve

Represents appropriation of profit by the Group.

Employee stock options outstanding

The share options outstanding account is used to recognise the grant date fair value of options issued under Duroflex Employee Stock Option Schemes (refer note 41).

Other comprehensive income

Represents fair value investment through OCI.

Demerger deficit reserve

The balance represents reserve on account of demerger of warehousing division of the Group during three months period ended as on 30 June 2025 (refer note 53).

21 Non-controlling interests

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Non-controlling interests	-	-	-	-
	-	-	-	-

The following table discloses the movement in non controlling interest for the year ended 31 March 2023 :

Entities	Non controlling stake	As at 1 April 2022	NCI on initial recognition	Acquisition of NCI during the year	(Loss) allocation for the year	(OCI) allocation for the year	As at 31 March 2023
Shivaarna Technofoams Private Limited	0.00%	0.20	-	(0.20)	-	-	-
Rem42 Technologies Private Limited	0.51%	0.50	-	(0.50)	-	-	-
Total		0.70	-	(0.70)	-	-	-

22 Non-current Borrowings

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<i>Secured</i>				
Term loans from banks (refer notes below)	24.56	36.48	97.54	231.68
	24.56	36.48	97.54	231.68

(i) During the year ended 31 March 2022, the Company had taken a term loan from HDFC Bank amounting to Rs. 41.38 million. The term loan is repayable over 62 structured monthly instalments from 7 August 2021 to 07 September 2026. The term loan carries interest rate at Repo+3.25% p.a. and is secured by the assets purchased by the loans, present and future and by the first charge on the four immovable property, plant and equipment of the Group with forced sale value of Rs 392.90 million. Carrying value of the term loan with non-current outstanding of Rs. 2.06 million (31 March 2025: Rs. 4.50 million, 31 March 2024: Rs. 13.64 million, 31 March 2023: Rs. 21.84 million) and with current outstanding of Rs. 9.34 million (31 March 2025: Rs. 9.11 million, 31 March 2024: Rs. 8.25 million, 31 March 2023: Rs. 7.59 million).

(ii) During the year ended 31 March 2022, the Company had taken a term loan from Yes Bank amounting to Rs. 99.20 million. The term loan is repayable over 36 structured monthly instalments from 17 April 2022 to 17 March 2025. The term loan carries interest rate at 3M MCLR +0.35% p.a. and is secured by the assets purchased by the loans, present and future and by the first charge on the four immovable property, plant and equipment of the Group with forced sale value of Rs. 392.90 million. Carrying value of the term loan with non-current outstanding of Rs. Nil (31 March 2025: Rs. Nil, 31 March 2024: Rs. Nil, 31 March 2023: Rs. 33.07 million) and with current outstanding of Rs. Nil (31 March 2025: Rs. Nil, 31 March 2024: Rs. 33.07 million, 31 March 2023: Rs. 33.07 million).

(iii) During the year ended 31 March 2022, one Subsidiary had taken a term loan from Yes Bank amounting to Rs. 352.00 million. The term loan is repayable over 48 structured monthly instalments from 1 November 2021 to 23 February 2027. The term loan carries interest rate at Repo + 3.00% p.a. and is secured against exclusive charge on current assets and movable fixed assets of the Group both present and future, exclusive charge on immovable assets of the Group both present and future located at Industrial Diverted land L.S. No. Plot No 435/1, 435/2, 435/3 & 435/4, Village Hatuniya, Tehsil Sanwer, Dist. Indore owned by the Group, unconditional and irrevocable Corporate Guarantee of the Company. Carrying value of the term loan with non-current outstanding of Rs. 22.50 million (31 March 2025: Rs. 31.98 million, 31 March 2024: Rs. 83.91 million, 31 March 2023: Rs. 176.77 million) and with current outstanding of Rs. 42.08 million (31 March 2025: Rs. 51.96 million, 31 March 2024: Rs. 92.85 million, 31 March 2023: Rs. 92.85 million).

The Group's exposure to interest rate and liquidity risks are disclosed in note 40.

Also refer note 26

23 Other non-current financial liabilities

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Accrued salaries and wages	8.54	10.26	21.78	7.20
	8.54	10.26	21.78	7.20

24 Non-current Provisions

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Provision for gratuity (refer note 45)	76.46	65.53	70.58	61.09
	76.46	65.53	70.58	61.09

25 Other non-current liabilities

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Deferred income on government grant	151.99	154.90	51.13	55.38
	151.99	154.90	51.13	55.38

26 Current Borrowings

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<i>Loan from Banks (Secured)</i>				
Current maturities of non-current borrowings (also refer note 22)	51.87	61.49	134.62	139.37
Cash credit and overdraft facilities*	-	-	-	923.42
<i>Others (unsecured)</i>				
Other short term borrowings **	-	-	-	246.54
	51.87	61.49	134.62	1,309.33

*Cash credit and overdraft facilities from banks are secured by the first pari-passu charge on all the current and moveable fixed assets, excluding assets funded by the term loan of the Group. The above loan carried interest of Repo rate + 3.00% / 1M MCLR + 0.45% / Repo rate +2.25% / Repo rate +2.75% [(31 March 2025: Repo rate + 3.00% / 1M MCLR + 0.45% / Repo rate +2.75%) (31 March 2024: 3M-T Bill + 2.69%/1M MCLR + 0.45%) (31 March 2023: 3M MCLR + 0.75% to 3M MCLR + 0.2%)]. These loans are repayable on demand.

** This facility is a monitored auction based platform for discounting trade payable invoices by banks and carries interest based on best available quote for the product on the transaction date. The credit period is of 90 days. During the year ended 2023-24, the balance outstanding was repaid.

The Group's exposure to interest rate and liquidity risks are disclosed in note 40.

27 Trade Payables

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises (refer note 27.1 below)	186.23	116.63	169.37	151.81
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,654.58	1,481.84	1,017.07	1,270.48
	1,840.81	1,598.47	1,186.44	1,422.29

27.1 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified on the basis of information available with the Group and has been relied upon by the auditors.

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
i. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the period/year :				
- Principal	186.23	116.63	169.37	151.81
- Interest	0.33	0.02	0.01	0.01
ii. The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the period/year	86.57	192.81	781.34	94.19
iii. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period/year) but without adding the interest specified under MSMED Act, 2006.	0.24	2.20	4.45	0.89
iv. The amount of interest accrued and remaining unpaid at the end of the accounting period/year	0.57	2.22	4.46	0.90
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006.	-	-	-	-

27.2 Ageing for trade payables

As at 30 June 2025

Particulars	Unbilled*	Not due	Outstanding from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSE	-	162.88	22.86	0.04	0.45	-	186.23
Others	526.55	1,022.98	95.74	4.71	4.52	0.08	1,654.58
Disputed dues - MSE	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Total	526.55	1,185.86	118.60	4.75	4.97	0.08	1,840.81

As at 31 March 2025

Particulars	Unbilled*	Not due	Outstanding from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSE	-	102.04	14.13	0.21	0.25	-	116.63
Others	468.13	904.80	97.63	7.12	4.16	-	1,481.84
Disputed dues - MSE	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Total	468.13	1,006.84	111.76	7.33	4.41	-	1,598.47

As at 31 March 2024

Particulars	Unbilled*	Not due	Outstanding from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSE	-	132.29	36.34	0.64	0.10	-	169.37
Others	330.33	556.96	114.93	4.16	3.09	7.60	1,017.07
Disputed dues - MSE	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Total	330.33	689.25	151.27	4.80	3.19	7.60	1,186.44

As at 31 March 2023

Particulars	Unbilled*	Not due	Outstanding from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	126.60	25.11	0.10	-	-	151.81
Others	344.05	855.51	56.61	6.56	1.56	6.20	1,270.49
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Total	344.05	982.11	81.72	6.66	1.56	6.20	1,422.30

* Represents accrued expenses.

The Group's exposure to currency and liquidity risk are disclosed in note 40
Includes dues to related parties (refer note 46)

28 Other financial liabilities

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Capital creditors	9.10	13.14	1.64	7.68
Refund liabilities	31.22	21.48	60.96	34.70
Security deposit	260.00	269.62	262.57	245.04
Accrued salaries and wages	97.37	126.96	86.09	74.42
Payable to employees towards reimbursement of expenses	1.35	1.57	0.62	4.40
Deferred consideration (refer note 46 & 53)	39.88	-	-	-
	438.92	432.77	411.88	366.24

29 Other current liabilities

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Contract liabilities (refer note a)	102.23	57.10	40.52	25.28
Statutory dues payable	40.93	35.33	36.08	21.36
Deferred income on government grant	11.57	11.57	4.24	4.24
	154.73	104.00	80.84	50.88

Note (a): Consists of advance received from customers towards sale of products.

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning of the period / year	57.10	40.52	25.28	16.80
Add: Advance received during the period / year	102.23	57.10	40.52	25.28
Less: Revenue recognised during the period / year	(57.10)	(40.52)	(25.28)	(16.80)
Balance as at the end of the period / year	102.23	57.10	40.52	25.28

30 Current provision

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<i>Provision for employee benefits</i>				
-Provision for gratuity (refer note 45)	13.29	10.98	11.43	8.31
-Provision for compensated absences	41.32	36.10	32.17	29.47
<i>Other Provisions</i>				
-Provision for warranty (refer note (a) below)	50.95	50.35	48.00	48.17
	105.56	97.43	91.60	85.95

Notes:

a) The Group has given warranties on various ranges of Mattress, Furniture & Accessories, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made as on reporting date represents the amount of the expected cost of meeting such obligation of rectification / replacement. The table below gives information about movement in warranty provision :

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning of the period / year	50.35	48.00	48.17	48.50
Add: Charge for the period / year	8.39	30.21	25.98	17.41
Less: Utilised during the period / year	(7.79)	(27.86)	(26.15)	(17.74)
Balance as at the end of the period / year	50.95	50.35	48.00	48.17

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31 Revenue from operations

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from contracts with customers				
Sale of products	2,897.48	11,244.79	10,865.76	10,421.70
	2,897.48	11,244.79	10,865.76	10,421.70
Other operating revenues				
Scrap sales	23.75	79.66	80.00	145.11
Income from duty drawback and duty scripts	1.04	2.68	3.00	3.86
Income from government grants	2.92	15.37	4.20	4.20
	27.71	97.71	87.20	153.17
	2,925.19	11,342.50	10,952.96	10,574.87

31.1 Disaggregation of revenue from contracts with customers is detailed below :**Disaggregation by primary geographical market**

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
India	2,813.85	10,950.98	10,680.10	10,250.87
Outside India	83.63	293.81	185.66	170.83
	2,897.48	11,244.79	10,865.76	10,421.70

Disaggregation by major products

Particulars*	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Mattress	1,601.13	5,830.68	5,672.62	5,873.29
Branded foam	1,075.11	4,465.31	4,011.04	3,563.14
Furniture	151.95	610.22	760.00	522.24
Accessories	69.29	338.58	422.10	463.03
	2,897.48	11,244.79	10,865.76	10,421.70

*Revenue disaggregation for major products for the year ended 31 March 2024 and 31 March 2023, has been regrouped to reflect the product classification as adopted by the Group for the year ended 31 March 2025 and three months period ended 30 June 2025.

Disaggregation by timing of revenue recognition

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue recognised at a point in time	2,897.48	11,244.79	10,865.76	10,421.70

31.2 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue as per contracted price	3,213.74	12,481.33	12,430.06	11,876.10
<i>Adjustments:</i>				
Sales return	(110.81)	(388.69)	(481.40)	(439.10)
Rebate and discount	(205.45)	(847.85)	(1,082.90)	(1,015.30)
Revenue from contract with customers	2,897.48	11,244.79	10,865.76	10,421.70

31.3 Contract balances

The following table provides information about trade receivables, contract liabilities and refund liability from contracts with customers.

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Trade receivables	1,082.52	902.42	753.08	784.84
Contract liabilities*	102.23	57.10	40.52	25.28
Refund liability	31.22	21.48	60.96	34.70

*The contract liabilities primarily relate to the advance consideration received from customers for sale of products, for which revenue is recognised within the next 1 year (refer note 29).

31.4 Significant customers

No customer has individually accounted for more than 10% of the revenue from operations for the period/year ended 30 June 2025, 31 March 2025, 31 March 2024 and 31 March 2023.

Annexure VII - Notes to the Restated Consolidated Financial Information (continued)

(All amounts are in Rs. million, except share data and per share data, unless otherwise stated)

32 Other income

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income under the effective interest method on financial assets carried at amortised cost:				
- fixed deposits	38.37	114.16	84.44	107.43
- security deposits	1.26	4.70	4.30	6.46
Rental income from operating leases	4.66	20.50	13.04	0.69
Rental income from investment property	-	3.76	4.67	5.30
Rent concession	-	-	-	0.02
Gain on termination of lease	-	0.41	0.30	3.74
Profit on sale of property, plant and equipment (net)	-	-	-	1.43
Liabilities or provisions no longer required written back	-	11.73	-	2.76
Foreign exchange gain (net)	-	3.59	3.06	-
Miscellaneous income (refer note 48)	-	28.14	1.18	-
	44.29	186.99	110.99	127.83

33 Cost of materials consumed

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventory at the beginning of the period / year	390.99	283.18	385.98	398.60
Add: Purchases during the period / year	1,609.85	6,251.96	5,595.34	5,338.71
Less: Inventory at the end of the period / year	(377.82)	(390.99)	(283.18)	(385.98)
	1,623.02	6,144.15	5,698.14	5,351.33

34 Changes in inventories of finished goods, semi-finished goods and stock in trade

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventories at the end of the period / year				
Finished goods	345.31	288.02	310.06	268.28
Semi finished goods	222.45	206.53	186.04	160.80
Stock in trade	79.14	81.22	72.02	176.81
	646.90	575.77	568.12	605.89
Inventories at the beginning of the period / year				
Finished goods	288.02	310.06	268.28	307.80
Semi finished goods	206.53	186.04	160.80	163.10
Stock in trade	81.22	72.02	176.81	296.00
	575.77	568.12	605.89	766.90
	(71.13)	(7.65)	37.77	161.01

35 Employee benefits expense

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	252.33	850.30	839.69	838.66
Contribution to provident and other fund (refer note 45)	10.11	36.64	36.90	37.42
Share based payment expense (refer note 41)	5.28	7.20	15.38	13.62
Gratuity expense (refer note 45)	4.92	20.46	19.07	16.64
Staff welfare expenses	15.46	52.31	75.61	63.06
	288.10	966.91	986.65	969.40

36 Finance costs

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on financial liabilities measured at amortized cost:				
- borrowings from banks	2.35	18.44	42.40	120.00
- lease liabilities (refer note 6)	23.04	39.60	41.76	33.11
- deposits from customers	3.24	9.10	8.20	7.10
Other borrowing costs	0.92	2.79	5.00	4.69
Interest on income tax	-	-	-	3.00
	29.55	69.93	97.36	167.90

37 Depreciation and amortisation expense

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment (refer note 3)	56.35	239.18	237.46	260.70
Depreciation of investment property (refer note 5)	-	0.50	0.50	0.50
Depreciation of right-of-use assets (refer note 6)	45.07	163.61	164.34	143.07
Amortisation of intangible assets (refer note 7)	2.08	14.78	32.72	41.27
	103.50	418.07	435.02	445.54

38 Other expenses

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Contract labour expenses	103.99	352.55	312.18	246.72
Freight charges	202.55	759.96	753.50	707.22
Rent (refer note 6)	57.12	152.67	122.21	118.88
Rates and taxes	6.35	20.79	29.20	14.61
Power and fuel	23.10	79.10	74.24	67.06
Insurance	3.59	14.38	20.43	25.59
Repairs and maintenance				
- Plant and machinery	4.74	7.03	11.70	9.37
- Buildings	3.16	10.23	14.04	6.45
- Others	25.74	87.00	69.55	79.04
Advertisement and sales promotion expenses	160.56	730.11	850.14	758.81
Selling and distribution expenses	130.43	508.96	624.94	603.15
Travelling and conveyance	23.51	73.23	80.78	80.24
Impairment of intangible assets (refer note 7)	-	-	-	25.20
Communication costs	1.95	9.04	12.26	50.54
Consumption of stores and spares	8.31	31.34	29.15	22.38
Printing and stationery	1.61	6.74	8.64	6.89
Legal and professional fees	23.02	99.48	114.68	111.78
Allowance for doubtful advances	-	6.82	1.10	3.78
Allowance for expected credit loss	7.14	30.46	32.98	28.17
Advances written off	-	-	-	2.70
Security charges	7.75	24.85	22.90	23.06
Information technology expenses	15.96	53.32	75.54	42.13
Warranty charges (refer note 30)	8.39	30.21	25.98	17.42
Research and development expenses	-	-	-	1.34
Foreign exchange loss (net)	1.00	-	-	8.49
Loss on sale of property, plant and equipment	-	-	0.55	-
Corporate social responsibility (refer note (i) below)	1.57	4.63	4.30	-
Bank charges	3.24	4.23	4.61	10.81
Write off of property, plant and equipment	2.88	-	-	-
Job work charges	0.03	-	1.00	11.67
Miscellaneous expenses	5.29	14.70	22.46	30.97
	832.98	3,111.83	3,319.06	3,114.47

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38 Other expenses (continued)

(i) Details of expenditure on corporate social responsibility (CSR)

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
a) Gross amount required to be spent by the Group during the period / year	1.57	4.63	7.48	5.65
b) Amount approved by the Board to be spent during the period / year	-	7.50	4.50	-
c) Amount spent during the period/year :				
i) Construction/acquisition of any asset	refer table below	refer table below	refer table below	refer table below
ii) On purpose other than (i) above	refer table below	refer table below	refer table below	refer table below
d) Excess amount spent				
Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Opening Balance	3.06	0.19	3.17	8.82
Amount required to be spent during the period / year	(1.57)	(4.63)	(7.48)	(5.65)
Amount spent during the period / year	-	7.50	4.50	-
Closing balance	1.49	3.06	0.19	3.17
e) Payment to related party	Nil	Nil	Nil	Nil
f) Nature of CSR activities	CSR contribution for activities related to promotion of sports			Support activities in areas of preventive health care, rural development projects and disaster management

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39 Income-tax

(a) Amounts recognised in Restated Consolidated Statement of Profit and Loss

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax expense				
Current period / year	36.42	40.31	1.34	157.59
Changes in estimates related to prior years	(1.73)	23.73	3.80	(2.20)
	34.69	64.04	5.14	155.39
Deferred tax				
Attributable to origination and reversal of temporary differences	(12.45)	(43.88)	(22.14)	(45.57)
Tax expense for the period / year	22.24	20.16	(17.00)	109.82

(b) Amounts recognised in other comprehensive income

Particulars	For the three months period ended 30 June 2025			For the year ended 31 March 2025		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to statement of profit and loss						
Remeasurements of the defined benefit plans	(11.19)	2.82	(8.37)	18.93	-	18.93
	(11.19)	2.82	(8.37)	18.93	-	18.93
Particulars	For the year ended 31 March 2024			For the year ended 31 March 2023		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to statement of profit and loss						
Remeasurements of the defined benefit plans	1.00	-	1.00	(0.77)	0.62	(1.50)
	1.00	-	1.00	(0.77)	0.62	(1.50)

(c) Reconciliation of effective tax rate

Particulars	For the three months period ended 30 June 2025		For the year ended 31 March 2025	
Profit before tax		78.63		491.79
Tax using the Group's domestic tax rate:	25.17%	19.79	25.17%	123.77
Tax effect of:				
Tax charge on disallowance of corporate social responsibility expenditure	0.50%	0.39	0.24%	1.17
Changes in estimates related to prior years	-2.20%	(1.73)	-4.83%	(23.73)
Utilisation of carried forward business losses and unabsorbed depreciation	0.00%	-	-19.96%	(98.15)
Deferred tax asset not recognised on carried forward business losses and unabsorbed depreciation of subsidiary companies	0.00%	-	3.25%	15.97
Others	4.82%	3.79	0.23%	1.13
	28.29%	22.24	4.10%	20.16

Particulars	For the year ended 31 March 2024		For the year ended 31 March 2023	
Profit / (Loss) before tax		95.00		(44.92)
Tax using the Group's domestic tax rate:	25.17%	23.91	25.17%	(11.30)
Tax effect of:				
Tax charge on disallowance of corporate social responsibility	1.14%	1.08	0.00%	-
Changes in estimates related to prior years	-4.00%	(3.80)	0.00%	-
Impact of disallowance of interest on income tax	0.00%	-	0.79%	0.76
Impact of disallowance of direct taxes and fine	0.71%	0.68	0.00%	-
Deferred tax asset not recognised on impairment loss on intangible asset	0.00%	-	-14.12%	6.34
Utilisation of carried forward business losses and unabsorbed depreciation	-55.18%	(52.42)	0.00%	-
Deferred tax asset not recognised on carried forward business losses and unabsorbed depreciation of subsidiary companies	4.68%	4.45	-253.85%	114.02
Others	9.58%	9.10	0.00%	-
	-17.90%	(17.00)	-242.01%	109.82

39 Income-tax (continued)

(d) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Particulars	Deferred tax assets (A)		Deferred tax liabilities (B)		Deferred tax (liabilities) / asset, net (A-B)	
	30 June 2025	31 March 2025	30 June 2025	31 March 2025	30 June 2025	31 March 2025
Deferred tax assets:						
Property, plant and equipment	-	-	45.84	53.53	(45.84)	(53.53)
Provision for employee benefits	31.45	26.78	-	-	31.45	26.78
Provision for bonus	2.76	2.65	-	-	2.76	2.65
Provision for warranty	12.82	12.67	-	-	12.82	12.67
Allowance for doubtful advances	5.48	5.48	-	-	5.48	5.48
Lease liabilities	247.52	252.17	-	-	247.52	252.17
Right-of-use assets	-	-	234.71	241.70	(234.71)	(241.70)
Security deposits paid carried at amortised cost	9.12	5.61	-	-	9.12	5.61
Disallowance under section 40(a)(ia)	12.95	13.47	-	-	12.95	13.47
Government grants	10.57	13.99	-	-	10.57	13.99
Allowance for expected credit loss	54.79	53.17	-	-	54.79	53.17
Carry forward business losses & unabsorbed depreciation	17.61	22.82	-	-	17.61	22.82
Carried forwards business losses and unabsorbed depreciation to the extent of deferred tax liabilities	36.72	35.21	-	-	36.72	35.21
	441.79	444.02	280.55	295.23	161.24	148.79

Particulars	Deferred tax assets (A)		Deferred tax liabilities (B)		Deferred tax (liabilities) / asset, net (A-B)	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Deferred tax assets:						
Property, plant and equipment	-	-	12.66	20.41	(12.66)	(20.41)
Provision for employee benefits	27.33	23.46	-	-	27.33	23.46
Provision for bonus	3.16	4.40	-	-	3.16	4.40
Provision for warranty	12.08	11.38	-	-	12.08	11.38
Allowance for doubtful advances	6.25	5.50	-	-	6.25	5.50
Lease liabilities	110.21	90.37	-	-	110.21	90.37
Right-of-use assets	-	-	97.55	79.80	(97.55)	(79.80)
Security deposits paid carried at amortised cost	2.90	2.10	-	-	2.90	2.10
Disallowance under section 40(a)(ia)	11.16	9.83	-	-	11.16	9.83
Allowance for expected credit loss	41.70	35.61	-	-	41.70	35.61
MAT credit entitlement	0.33	0.33	-	-	0.33	0.33
	215.12	182.98	110.21	100.21	104.91	82.77

(e) Movement in deferred tax balances

Particulars	As at 01 April 2025	Recognised in statement of profit and loss	Recognised in OCI	Recognised directly in equity	Others	As at 30 June 2025
Deferred tax assets:						
Property, plant and equipment	(53.53)	7.69	-	-	-	(45.84)
Provision for employee benefits	26.78	4.67	-	-	-	31.45
Provision for bonus	2.65	0.11	-	-	-	2.76
Provision for warranty	12.67	0.15	-	-	-	12.82
Allowance for doubtful advances	5.48	(0.00)	-	-	-	5.48
Lease liabilities	252.17	(4.65)	-	-	-	247.52
Right-of-use assets	(241.70)	6.99	-	-	-	(234.71)
Security deposits paid carried at amortised cost	5.61	3.51	-	-	-	9.12
Disallowance under section 40(a)(ia)	13.47	(0.52)	-	-	-	12.95
Government grants	13.99	(3.42)	-	-	-	10.57
Allowance for expected credit loss	53.17	1.62	-	-	-	54.79
Carry forward business losses & unabsorbed depreciation	22.82	(5.21)	-	-	-	17.61
Carried forwards business losses and unabsorbed depreciation to the extent of deferred tax	35.21	1.51	-	-	-	36.72
	148.79	12.45	-	-	-	161.24

39 Income-tax (continued)

(e) Movement in deferred tax balances (continued)

Particulars	As at 1 April 2024	Recognised in statement of profit and loss	Recognised in OCI	Recognised directly in equity	Others	As at 31 March 2025
Deferred tax assets:						
Property, plant and equipment	(12.66)	(40.87)	-	-	-	(53.53)
Provision for employee benefits	27.33	(0.55)	-	-	-	26.78
Provision for bonus	3.16	(0.51)	-	-	-	2.65
Provision for warranty	12.08	0.59	-	-	-	12.67
Allowance for doubtful advances	6.25	(0.77)	-	-	-	5.48
Lease liabilities	110.21	141.96	-	-	-	252.17
Right-of-use assets	(97.55)	(144.15)	-	-	-	(241.70)
Security deposits paid carried at amortised cost	2.90	2.71	-	-	-	5.61
Disallowance under section 40(a)(ia)	11.16	2.31	-	-	-	13.47
Government grants	-	13.99	-	-	-	13.99
Allowance for expected credit loss	41.70	11.47	-	-	-	53.17
Carry forward business losses & unabsorbed depreciation	-	22.82	-	-	-	22.82
Carried forwards business losses and unabsorbed depreciation to the extent of deferred tax	-	35.21	-	-	-	35.21
MAT credit entitlement	0.33	(0.33)	-	-	-	-
	104.91	43.88	-	-	-	148.79

Particulars	As at 1 April 2023	Recognised in statement of profit and loss	Recognised in OCI	Recognised directly in equity	Others	As at 31 March 2024
Deferred tax assets:						
Property, plant and equipment	(20.41)	7.75	-	-	-	(12.66)
Provision for employee benefits	23.46	3.87	-	-	-	27.33
Provision for bonus	4.40	(1.24)	-	-	-	3.16
Provision for warranty	11.38	0.70	-	-	-	12.08
Allowance for doubtful advances	5.50	0.75	-	-	-	6.25
Lease liabilities	90.37	19.84	-	-	-	110.21
Right-of-use assets	(79.80)	(17.75)	-	-	-	(97.55)
Security deposits paid carried at amortised cost	2.10	0.80	-	-	-	2.90
Disallowance under section 40(a)(ia)	9.83	1.33	-	-	-	11.16
Allowance for bad and doubtful debts	35.61	6.09	-	-	-	41.70
MAT credit entitlement	0.33	-	-	-	-	0.33
	82.77	22.14	-	-	-	104.91

Particulars	As at 1 April 2022	Recognised in statement of profit and loss	Recognised in OCI	Recognised directly in equity	Others	As at 31 March 2023
Deferred tax assets:						
Property, plant and equipment	(36.96)	16.55	-	-	-	(20.41)
Provision for employee benefits	14.36	9.10	-	-	-	23.46
Provision for bonus	4.00	0.40	-	-	-	4.40
Provision for warranty	11.42	(0.04)	-	-	-	11.38
Allowance for doubtful advances	5.30	0.20	-	-	-	5.50
Lease liabilities	112.41	(22.04)	-	-	-	90.37
Right-of-use assets	(105.93)	26.13	-	-	-	(79.80)
Security deposits paid carried at amortised cost	2.60	(0.50)	-	-	-	2.10
Disallowance under section 40(a)(ia)	-	9.83	-	-	-	9.83
Allowance for expected credit loss	29.67	5.94	-	-	-	35.61
MAT credit entitlement	0.33	-	-	-	-	0.33
	37.20	45.57	-	-	-	82.77
Deferred tax liabilities:						
Property, plant and equipment	(0.73)	0.73	-	-	-	-
Provision for employee benefits	0.73	(0.73)	-	-	-	-
	-	-	-	-	-	-
Net tax assets (liabilities)	37.20	45.57	-	-	-	82.77

39 Income-tax (continued)

(f) The following table provides the details of income tax assets and income tax liabilities as of 30 June 2025, 31 March 2025, 31 March 2024 and 31 March 2023

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Income tax assets (net)	64.64	127.97	155.96	21.69
Current tax liabilities (net)	2.53	1.95	0.30	28.45
Net current income tax asset / (liability)	62.11	126.02	155.66	(6.76)

(g) The gross movement in the current income tax asset / (liability) for the period / year ended 30 June 2025, 31 March 2025, 31 March 2024 and 31 March 2023 is as follows.

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Net current income tax asset / (liability) at the beginning	126.02	155.66	(6.76)	91.71
Income tax paid, net of refund	(32.04)	34.40	167.56	59.30
Current income tax expense	(34.69)	(64.04)	(5.14)	(155.39)
Interest on income tax	-	-	-	(3.00)
Income tax on other comprehensive income and others	2.82	-	-	0.62
Net current income tax asset / (liability) at the end	62.11	126.02	155.66	(6.76)

(h) Unrecognised deferred tax assets

Tax losses for which no deferred tax asset was recognised expire as follows :

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Carry forward business losses	114.50	129.89	609.90	841.8
Expiry (in years)	2029-31	2029-31	2029-31	2029-31
Unabsorbed depreciation	238.50	239.49	240.33	242.36
Expiry (in years)	indefinite	indefinite	indefinite	indefinite

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40 Financial instruments - fair values and risk management

i) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 30 June 2025, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

Particulars	Note	Carrying amount				Fair value				
		FVTPL	FVOCI	Financial assets - amortised cost	Financial liabilities -amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets										
Investments	9	0.00	-	-	-	0.00	-	-	0.00	0.00
Loans	10, 16	-	-	9.35	-	9.35	-	-	-	-
Other financial assets	11, 17	-	-	1,042.85	-	1,042.85	-	-	-	-
Trade receivables	14	-	-	1,082.52	-	1,082.52	-	-	-	-
Cash and cash equivalents	15.1	-	-	278.11	-	278.11	-	-	-	-
Bank balances other than cash and cash equivalents	15.2	-	-	983.90	-	983.90	-	-	-	-
Total financial assets		0.00	-	3,396.73	-	3,396.73	-	-	0.00	0.00
Financial liabilities										
Borrowings	22 & 26	-	-	-	76.43	76.43	-	-	-	-
Trade payables	27	-	-	-	1,840.81	1,840.81	-	-	-	-
Other financial liabilities	23 & 28	-	-	-	447.46	447.46	-	-	-	-
Total financial liabilities		-	-	-	2,364.70	2,364.70	-	-	-	-

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2025, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

Particulars	Note	Carrying amount					Fair value			
		FVTPL	FVOCI	Financial assets - amortised cost	Financial liabilities -amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets										
Loans	10, 16	-	-	8.31	-	8.31	-	-	-	-
Other financial assets	11, 17	-	-	471.03	-	471.03	-	-	-	-
Trade receivables	14	-	-	902.42	-	902.42	-	-	-	-
Cash and cash equivalents	15.1	-	-	1,028.97	-	1,028.97	-	-	-	-
Bank balances other than cash and cash equivalents	15.2	-	-	813.37	-	813.37	-	-	-	-
Total financial assets		-	-	3,224.10	-	3,224.10	-	-	-	-
Financial liabilities										
Borrowings	22 & 26	-	-	-	97.97	97.97	-	-	-	-
Trade payables	27	-	-	-	1,598.47	1,598.47	-	-	-	-
Other financial liabilities	23 & 28	-	-	-	443.03	443.03	-	-	-	-
Total financial liabilities		-	-	-	2,139.47	2,139.47	-	-	-	-

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2024, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

Particulars	Note	Carrying amount				Fair value				
		FVTPL	FVOCI	Financial assets - amortised cost	Financial liabilities -amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets										
Loans	10, 16	-	-	5.64	-	5.64	-	-	-	-
Other financial assets	11, 17	-	-	190.38	-	190.38	-	-	-	-
Trade receivables	14	-	-	753.08	-	753.08	-	-	-	-
Cash and cash equivalents	15.1	-	-	276.00	-	276.00	-	-	-	-
Bank balances other than cash and cash equivalents	15.2	-	-	1,032.39	-	1,032.39	-	-	-	-
Total financial assets		-	-	2,257.49	-	2,257.49	-	-	-	-
Financial liabilities										
Borrowings	22 & 26	-	-	-	232.16	232.16	-	-	-	-
Trade payables	27	-	-	-	1,186.44	1,186.44	-	-	-	-
Other financial liabilities	23 & 28	-	-	-	433.66	433.66	-	-	-	-
Total financial liabilities		-	-	-	1,852.26	1,852.26	-	-	-	-

40 Financial instruments - fair values and risk management (continued)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2023, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

Particulars	Note	Carrying amount				Fair value				Total
		FVTPL	FVOCI	Financial assets - amortised cost	Financial liabilities -amortised cost	Total carrying amount	Level 1	Level 2	Level 3	
Financial assets										
Investments	9	-	42.32	-	-	42.32	-	-	42.32	42.32
Loans	10, 16	-	-	7.48	-	7.48	-	-	-	-
Other financial assets	11, 17	-	-	193.62	-	193.62	-	-	-	-
Trade receivables	14	-	-	784.84	-	784.84	-	-	-	-
Cash and cash equivalents	15.1	-	-	903.14	-	903.14	-	-	-	-
Bank balances other than cash and cash equivalents	15.2	-	-	1,522.59	-	1,522.59	-	-	-	-
Total financial assets		-	42.32	3,411.67	-	3,453.99	-	-	42.32	42.32
Financial liabilities										
Borrowings	22 & 26	-	-	-	1,541.01	1,541.01	-	-	-	-
Trade payables	27	-	-	-	1,422.29	1,422.29	-	-	-	-
Other financial liabilities	23 & 28	-	-	-	373.44	373.44	-	-	-	-
Total financial liabilities		-	-	-	3,336.74	3,336.74	-	-	-	-

The fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, loans, trade payables, borrowings and other financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Group's loans have been contracted at market rates of interest. Accordingly, the carrying value of such loans approximate fair value. Investments in equity shares in subsidiary is not appearing as financial asset in the table above being investment in subsidiaries accounted under Ind AS 27, Separate Financial Statements is scoped out under Ind AS 109, Financial Instruments.

ii) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Inputs for the assets and liabilities that are not based on observable market data (unobservable inputs).

There were no transfers between Level 1, 2 and 3 during the period/year ended 30 June 2025, 31 March 2025, 31 March 2024 and 31 March 2023.

iii) Fair value of financial assets and liabilities measured at amortised cost

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

a. Financial assets

The Group has not disclosed the fair values for trade receivables, cash and cash equivalents including other bank balances, fixed deposits and other financial assets because their carrying amounts are a reasonable approximation of their fair value.

b. Financial liabilities

Trade payables and other financial liabilities: Fair values of trade payables and other financial liabilities are measured at carrying value, as most of them are settled within a short period, so their fair values are assumed to be almost equal to the carrying values.

Lease liabilities: The fair value of obligations is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Non-current borrowings charges interest at market rate and their fair value approximates its carrying value.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

Particulars	Fair Value Hierarchy (Level)	As at			
		30 June 2025	31 March 2025	31 March 2024	31 March 2023
Investments	3	0.00	-	-	42.32

iv) Valuation techniques and significant unobservable inputs

Particulars	Valuation techniques	Significant unobservable inputs	Inter-relationship between significant
Equity Instruments	Milestone analysis valuation method: Identify the targets and milestone at the time of investing. Analyse the target and milestone (quantitative and qualitative) as at the reporting date. Assessing the direction of movement in the fair value. Determine the magnitude of the direction by factoring the quantitative milestones like market movement of comparable companies.	i) Discount rate for start up companies depending on the start up stage (Range 40% to 60%) ii) Revenue and market cap multiple for the comparable companies (Range 38% - 73%)	The estimated fair value would increase/(decrease) if: i) the discount rate was lower/(higher); or ii) Revenue and market cap multiple was higher/(lower).

v) Reconciliation of Level 3 fair value:

Particulars	As at			
	30 June 2025	31 March 2025	31 March 2024	31 March 2023
Balance at the beginning of the period / year	-	-	42.32	76.72
Addition during the period / year	0.00	-	-	-
Loss included in OCI	-	-	(42.32)	(34.40)
Balance at the end of the period / year	0.00	-	-	42.32

40 Financial instruments - fair values and risk management (continued)

The Group has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

Risk management

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors are responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Group's board of directors oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group's board of directors is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the board of directors.

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, bank deposits and other financial assets. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables. None of the other financial instruments of the Group result in material concentration of credit risk.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. Trade receivables mainly pertains to receivables from dealers and distributors. The Group has also collected security deposits from these dealers and distributors which acts as a security in case of default. Normal credit period of the Group is 30-60 days.

On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss.

Based on the industry practices and the business environment in which the entity operates, management considers that the trade receivables are in default (credit impaired) if the payments are more than 180 days past due.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

30 June 2025	Gross carrying amount	Weighted average loss rate	Loss allowance	Credit impaired
Current (not past due)	580.03	1.52%	8.80	No
0-30 days	277.20	3.09%	8.58	No
31-60 days	138.38	2.99%	4.14	No
61-90 days	63.88	2.97%	1.90	No
More than 90 days	240.11	80.66%	193.66	Yes
Total	1,299.60		217.08	

31 March 2025	Gross carrying amount	Weighted average loss rate	Loss allowance	Credit impaired
Current (not past due)	491.88	1.61%	7.91	No
0-30 days	238.88	3.05%	7.27	No
31-60 days	120.18	2.91%	3.49	No
61-90 days	43.69	3.12%	1.36	No
More than 90 days	218.53	87.27%	190.71	Yes
Total	1,113.16		210.74	

31 March 2024	Gross carrying amount	Weighted average loss rate	Loss allowance	Credit impaired
Current (not past due)	537.46	0.14%	0.77	No
0-30 days	100.26	8.10%	8.12	No
31-60 days	51.04	18.78%	9.59	No
61-90 days	65.87	23.10%	15.22	No
More than 90 days	178.73	82.01%	146.58	Yes
Total	933.36		180.28	

31 March 2023	Gross carrying amount	Weighted average loss rate	Loss allowance	Credit impaired
Current (not past due)	494.61	0.04%	0.20	No
0-30 days	141.90	6.59%	9.34	No
31-60 days	64.42	14.05%	9.05	No
61-90 days	63.93	17.63%	11.27	No
More than 90 days	168.88	70.49%	119.05	Yes
Total	933.74		148.91	

40 Financial instruments - fair values and risk management (continued)

(i) Credit risk (continued)

The movement in the Allowance for expected credit loss in respect of trade receivables is as follows:

Particulars	As at	As at	As at	As at
	30 June 2025	31 March 2025	31 March 2024	31 March 2023
Balance as at the beginning of the period / year	210.74	180.28	148.91	120.74
Loss allowance recognised/ (reversed) under expected credit loss model	7.14	30.46	32.98	28.17
Transferred out pursuant to the scheme of arrangement (refer note 53)	(0.80)	-	-	-
Less: Bad debts written off	-	-	(1.61)	-
Balance as at the end of the period / year	217.08	210.74	180.28	148.91

Credit risk on cash and cash equivalents and bank balances other than cash and cash equivalents is limited because the counterparties are banks.

Credit risk on loans is limited because the counterparties are employees of the Group.

Credit risk on capital subsidy receivables is limited because the counterparty is a State Government and in the past the amount is regularly being collected.

Other financial assets mainly includes security deposits given in relation to lease arrangements, for which agreements are signed and property possessions are taken for operations. The risk relating to refunds after vacating the premises is managed through successful negotiations or appropriate legal actions, where necessary.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group has obtained term loans and working capital limits from various banks (disclosed in note 22 and 26).

Management monitors rolling forecast of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group's objective is to maintain a balance between cash outflow and inflow. Usually, the excess of funds is invested in fixed deposits and other financial instruments. This is generally carried out in accordance with practice and limits set by the Group. The limits vary to take into account the liquidity of the market in which the Group operates.

The table below provides details regarding the contractual maturities of significant financial liabilities as at reporting dates.

As at 30 June 2025

Particulars	Carrying amount	Contractual cash flows			
		Total	Less than 1 year	1-5 years	5 years and above
Non-derivative financial liabilities					
Borrowings	76.43	82.25	55.55	26.70	-
Trade payables	1,840.81	1,840.81	1,840.81	-	-
Lease liabilities	983.62	1,562.49	195.53	541.78	825.18
Other financial liabilities	447.46	447.46	438.92	8.54	-
	3,348.32	3,933.01	2,530.81	577.02	825.18

As at 31 March 2025

Particulars	Carrying amount	Contractual cash flows			
		Total	Less than 1 year	1-5 years	5 years and above
Non-derivative financial liabilities					
Borrowings	97.97	106.01	67.61	38.40	-
Trade payables	1,598.47	1,598.42	1,598.42	-	-
Lease liabilities	1,001.96	1,580.64	190.73	546.19	843.73
Other financial liabilities	443.03	443.03	432.77	10.26	-
	3,141.43	3,728.10	2,289.53	594.85	843.73

As at 31 March 2024

Particulars	Carrying amount	Contractual cash flows			
		Total	Less than 1 year	1-5 years	5 years and above
Non-derivative financial liabilities					
Borrowings	232.16	257.05	151.04	106.01	-
Trade payables	1,186.44	1,186.45	1,186.45	-	-
Lease liabilities	437.92	534.91	178.54	284.04	72.33
Other financial liabilities	433.66	433.70	411.92	21.78	-
	2,290.18	2,412.11	1,927.95	411.83	72.33

As at 31 March 2023

Particulars	Carrying amount	Contractual cash flows			
		Total	Less than 1 year	1-5 years	5 years and above
Non-derivative financial liabilities					
Borrowings	1,541.01	1,594.79	1,338.10	256.69	-
Trade payables	1,422.30	1,422.30	1,422.30	-	-
Lease liabilities	382.80	532.13	176.39	336.07	19.67
Other financial liabilities	373.40	373.45	351.55	21.90	-
	3,719.51	3,922.67	3,288.34	614.66	19.67

The Group has a strong focus on liquidity and maintains a robust cash position to ensure adequate cover for responding to potential short-term market dislocation. Cash generated through operating activities remains the primary source for liquidity along with undrawn borrowing facilities and levels of cash and cash equivalents.

40 Financial instruments - fair values and risk management (continued)

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's borrowing comprises of working capital loan and term loans which carries variable rate of interest. The Group regularly reviews interest rates to mitigate the risks associated with interest rate fluctuations.

Interest rate risk exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Fixed rate borrowings	-	-	-	-
Variable rate borrowings	76.43	97.97	232.16	1,541.01
Total borrowings	76.43	97.97	232.16	1,541.01

Total borrowings considered above includes current maturities of long term borrowings.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analyses assumes that all other variables remain constant. This calculation also assumes that the change occurs at the reporting date and has been calculated based on risk exposures outstanding as at that date.

Particulars	Profit or loss		Equity, net of tax	
	1% increase	1% decrease	1% increase	1% decrease
30 June 2025	(0.76)	0.76	(0.57)	0.57
31 March 2025	(0.98)	0.98	(0.73)	0.73
31 March 2024	(2.32)	2.32	(1.74)	1.74
31 March 2023	(15.41)	15.41	(11.53)	11.53

(b) Currency risk exposure

The foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The functional currency of the Group is Indian Rupees and its revenue is generated predominantly from operations in India.

The summary quantitative data about the Group's exposure to currency risk as reported to the management is as follows.

Particulars	Currency	30 June 2025		31 March 2025		31 March 2024		31 March 2023	
		Amount in foreign currency	Amount in INR	Amount in foreign currency	Amount in INR	Amount in foreign currency	Amount in INR	Amount in foreign currency	Amount in INR
Receivables	USD	755,422	64.62	447,515	38.17	66,124	5.50	170,555	14.00
Payables	USD	(618,088)	(52.87)	(1,146,589)	(98.44)	(536,455)	(44.70)	(285,622)	(23.50)
Payables	GBP	(335)	(0.04)	(135)	(0.01)	(135)	(0.01)	(2,057)	(0.20)
Payables	EURO	(125,917)	(12.65)	(111,317)	(10.27)	(124,532)	(11.20)	(20,042)	(1.80)
Net exposure			(0.94)		(70.55)		(50.41)		(11.50)

Sensitivity analysis

A reasonably possible 5% strengthening (weakening) of the foreign currency against all other currencies as at Reporting date would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
30 June 2025	(0.05)	0.05	(0.04)	0.04
31 March 2025	(3.53)	3.53	(2.60)	2.60
31 March 2024	(2.52)	2.52	(1.89)	1.89
31 March 2023	(0.58)	0.58	(0.43)	0.43

The Group regularly reviews foreign exchange rates to mitigate the risks associated with currency fluctuations.

(c) Equity price risk

The Group does not have any exposures to equity price risk.

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41 Share-based payments

A. Description of share based payment arrangement

i. Employees Stock Option Scheme 2019

During the financial year 2019-20, the Company introduced the Duroflex Employee Stock Option Scheme ('the Scheme' or "ESOS"). As per the Scheme, the ESOS Committee grants options to full time employees of the Company or a director of the Company, whether a whole time Director or not, excluding the promoters. The vesting period of the option range from one to five years from the date of grant. The scheme was an equity settled scheme. Exercise of an option is subject to continued employment.

Options granted under the Scheme can be exercised within the prescribed time limit mentioned in the exercise notice issued by the ESOS committee within a reasonable period prior to the occurrence of a liquidity event. Liquidity event is defined as:

- initial public offer of the shares in the Company for listing on a recognised stock exchange;
- divestment of entire stake held by the investor in the Company by way of sale to an identical buyer; or
- such other event as may be determined by the ESOS committee from time to time.

ii. Employees Stock Option Scheme 2023

During the financial year 2022-23, the Company introduced the Duroflex Employee Stock Option Plan 1 and Plan 2 ('the Schemes' or "ESOP Plans"). As per the Scheme, the ESOS Committee grants options to permanent employees of the Company or its subsidiary or a director of the Company or its subsidiary, whether a whole time Director or not, excluding the promoters & Independent directors. The vesting period of the option range from one to four years from the date of grant. The scheme is an equity settled scheme. Exercise of an option is subject to continued employment.

Options granted under the Scheme can be exercised within the prescribed time limit mentioned in the exercise notice issued by the ESOS committee within a reasonable period prior to the occurrence of a liquidity event. Liquidity event shall be deemed to include:

- a sale of at least 50% (fifty percent) of the shares held by the Promoters of the Company to any third party;
- a sale, lease, license or other transfer of all or substantially all the Company's assets (including by way of a sale of any Group Company or assets of Group Company).
- Initial Public Offer (IPO) whereby the shares of the Company get listed on any recognized stock exchange; and
- any other event that can be termed as a Liquidity Event as per the discretion of the Board.

The Company has defined graded vesting for ESOP plans. Under plan 1, options will vest over a period of 4 years considering an annual year from date of grant subject to achievement of performance criterial as may be determined by the ESOS committee. Under Plan 2 options will vest over a period of 4 years on annual basis considering the date of grant.

The schemes mentioned above are equity settled schemes and hence the Group has followed the equity settled method of accounting of the options.

B. Measurement of fair values

i. Fair Value Methodology

The fair value at grant date is determined using the Black Scholes valuation option-pricing model (except for Plan 1 under new ESOP scheme 2023) which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The fair value at grant date is determined using the Monte-carlo valuation option-pricing model for Plan 1 under new ESOP scheme 2023, which takes into account the possible prices of the underlying asset (EBITDA) to compute the discounted expected option payoffs.

ii. The key assumptions used in for calculating fair value of options under the scheme as on the date of grant are as follows:

Particulars	31 March 2025		
	Executive committee	Executive committee	Senior Employees
No. of options granted*	45,500	20,000	2,500
Date of grant	01-Jun-24	01-Dec-24	01-Jun-24
Vesting period (years)	4 years	4 years	4 years
Weighted average Expected life of option (years)	3 years	3 years	3 years
Fair value at the grant date*	640	64	640
Share price at the grant date*	3,482	348	3,482
Exercise price *	4,000	400	4,000
Expected volatility	40%	40%	40%
Risk free rate	7.10%	7.10%	7.10%
Expected dividends expressed as a dividend yield	0%	0%	0%
Per Equity share value	10	1	10

Particulars	31 March 2024	31 March 2023	
	Executive committee	Executive committee	Senior Employees
No. of options granted*	28,000	37,500	26,250
Date of grant	07-Sep-23, 02-Nov-23 and 20-Nov-23	01-May-22 and 07-Sep-22	1-Dec-22
Vesting period (years)	4 years	1-5 years	4 years
Weighted Average Expected life of option (years)	3 years	3 years	3 years
Fair value at the grant date*	788	1,002	1,423
Share price at the grant date*	3,472	4,152	4,011
Exercise price *	4,000	4,000	4,000
Expected volatility	40%	35%	35%
Risk free rate	7.30%	7.20%	6.90%
Expected dividends expressed as a dividend yield	0%	0%	0%
Per Equity share value	10	10	10

There are no new grants issued during the three months period ended 30 June 2025.

41 Share-based payments (continued)

C. Reconciliation of outstanding share options

Particulars	30 June 2025		
	Employees Stock Option Scheme 2019	Employees Stock Option Scheme 2023	
	Executive committee	Executive committee	Senior employees
Options outstanding at the beginning of the period	64,000	877,500	115,500
Granted during the period	-	-	-
Exercised during the period	-	-	-
Lapsed during the period	-	-	(15,500)
Outstanding at the end of the period	64,000	877,500	100,000
Weighted average exercise price	1	400	400
Exercisable at the end of the period	-	-	-

Particulars	31 March 2025		
	Employees Stock Option Scheme 2019	Employees Stock Option Scheme 2023	
	Executive committee	Executive committee	Senior employees
Outstanding at the beginning of the year	6,400	60,500	21,750
Granted during the year	-	45,500	2,500
Exercised during the year	-	-	-
Lapsed during the year	-	(20,250)	(8,450)
Increase in options granted due to stock split during the year*	57,600	771,750	142,200
Granted during the year - subsequent to split of equity	-	20,000	-
Lapsed during the year - subsequent to split of equity shares	-	-	(42,500)
Outstanding at the end of the year	64,000	877,500	115,500
Weighted average exercise price	1	400	400
Exercisable at the end of the year	-	-	-

*During the year ended 31 March 2025, the Company on 23 October 2024 ("Record Date"), sub-divided the Equity Shares from 1 (One) Equity Share having face value of Rs. 10/- (Rupees Ten only) each fully paid-up, into 10 (Ten) Equity Shares having face value of Re. 1/- (Rupees One only) each fully paid-up.

Particulars	31 March 2024		
	Employees Stock Option Scheme 2019	Employees Stock Option Scheme 2023	
	Executive committee	Executive committee	Senior employees
Options outstanding at the beginning of the year	11,400	37,500	26,250
Granted during the year	-	28,000	-
Exercised during the year	-	-	-
Lapsed during the year	(5,000)	(5,000)	(4,500)
Outstanding at the end of the year	6,400	60,500	21,750
Weighted average exercise price	10	4,000	4,000
Exercisable at the end of the year	-	-	-

Particulars	31 March 2023		
	Employees Stock Option Scheme 2019	Employees Stock Option Scheme 2023	
	Executive committee	Executive committee	Senior employees
Options outstanding at the beginning of the year	19,260	-	-
Granted during the year	-	37,500	26,250
Exercised during the year	-	-	-
Lapsed during the year	(7,860)	-	-
Outstanding at the end of the year	11,400	37,500	26,250
Weighted average exercise price	10	4,000	4,000
Exercisable at the end of the year	-	-	-

Each option represents one equity share of Re. 1/- (31 March 2025: Re. 1) (31 March 2024: Rs. 10) (31 March 2023: Rs. 10) each.

D. Amount recognised as expense in the Restated Consolidated Statement of Profit and Loss

The Group has recorded cost of Rs. 5.28 million (31 March 2025: Rs. 7.20 million) (31 March 2024: Rs. 15.38 million) (31 March 2023: Rs. 13.62 million) as share based payment expense during the period / year. Refer note 35.

42 Contingent Liabilities and commitments

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
(i) Contingent liabilities:				
Claims against companies not acknowledged as debts (see note below)				
(a) Taxation matters:				
(i) Sales tax cases				
Matters relating to incorrect categorisation of goods and difference in the interstate stock transfers between the annual report filed and the financials	-	-	35.93	95.10
(ii) Income tax cases	148.63	148.63	-	-
(iii) Goods and services tax				
Matters relating to incorrect availment of input tax credit, mismatch between GSTR9 and GSTR3B and mismatch between GSTR2A and GSTR3B	350.61	356.84	361.43	10.30

(b) In the year 1999-2000, the management had transferred the loans of Rs. 4.28 million and Rs. 15.06 million taken from Indian Jute Industries Research (IJIRA) and Technology Information, Forecasting and Assessment Council (TIFAC) respectively to Capital Reserve. These loans were conditional loans and were to be repaid only if the Group succeeded in commercialising the products developed by the research activities. The Group had not succeeded in commercialising the products developed by the research activities and the Board of directors of the Group on the basis of the legal opinion and based on the technical report are of the opinion that the project did not result in the commercialisation of any product and as such the loan from Indian Jute Industries Research Association (IJIRA) and Technology Information, Forecasting and Assessment Council (TIFAC) is not repayable. TIFAC had referred the matter to Arbitration. The Arbitration order was set aside by the Hon'ble District Court Alappuzha and referred back to the Arbitrator. Subsequent to the same, TIFAC had requested the Group to enter into a settlement. The Group is of the view that the amount is not payable as the project was not successful. The management has not received any communication from IJIRA and has proposed to make legal representation to get a No Due Certificate. The Management is of the view that the matter will be settled judicially and hence nature of the liability remains unchanged as compared to the previous year.

(c) In February 2019, the Hon'ble Supreme Court of India, in its judgement, had clarified the applicability of allowances that should be considered within the expression of 'basic wages' to measure the provident fund contribution under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 ('EPF Act'). The Group had been legally advised that there were interpretative challenges on the application of judgement retrospectively and as such the Group did not believe that there is any probable obligation for the past periods. The Group does not expect any material impact for the same.

(d) Corporate guarantee given to Yes Bank Limited for the term loan taken by Shivaarna Technofoams Private Limited, a subsidiary for a facility amount of Rs. 251.90 millions [(31 March 2025: Rs. 251.90 millions) (31 March 2024: Rs. 337.10 millions) (31 March 2023: 537.00 million)].

(ii) Commitments

Contracts remaining to be executed on Capital account in relation to Property, plant and equipment and not provided for Rs. 64.72 million [(31 March 2025: Rs 116.90 million) (31 March 2024: Rs 62.95 million) (31 March 2023: Rs 73.85 million)]

43 Earnings Per Share

Basic and diluted

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Net profit/(loss) for the period / year attributable to the equity shareholders	56.39	471.63	112.00	(154.74)
Weighted average number of shares outstanding during the period / year for Basic EPS (A) [refer below note (a) and (b)]	95,612,576	95,612,576	95,612,576	95,612,576
Effect of potential equity shares on employee stock option outstanding (B) (refer below notes)	110,319	116,875	261,167	-
Weighted average number of equity shares outstanding for computing diluted earnings per share [A+B] (refer below notes)	95,722,895	95,729,451	95,873,743	95,612,576
Par value per share [refer below note (a)]	1.00	1.00	1.00	1.00
Basic earnings per share	0.59	4.93	1.17	(1.62)
Diluted earnings per share [refer below note (c)]	0.59	4.93	1.17	(1.62)

Notes:

a. Pursuant to the resolution passed by the Shareholders of the Company at the Extra-ordinary General Meeting held on October 23, 2024, the Company has sub-divided its equity share of face value ₹ 10/- (Rupees ten only) each fully paid-up, into 10 (ten) equity shares of face value ₹ 1/- (Rupee one only) each fully paid-up, effective from October 23, 2024.

b. The Board of Directors at its meeting held on 8 September 2025, has recommended the bonus issue of equity shares in the ratio of 3:5 i.e., 3 equity shares will be issued for every 5 existing fully paid-up equity share held by the shareholder, which was further approved by the shareholders by means of a special resolution in their Extra Ordinary General Meeting dated 25 September 2025. The record date for the bonus share is 23 September 2025.

As required under Ind AS – 33, "Earnings per share", the effect of sub-division and bonus as mentioned above is adjusted for the purpose of computing earnings per share for all the periods presented retrospectively.

c. Potential equity shares on account of ESOPs are anti dilutive in nature for the year ended 31 March 2023. Accordingly, the weighted average number of shares outstanding during the year for calculation of basic EPS is used for calculation of diluted EPS in terms of Ind AS 33 "Earning per share".

44 Capital management

For the purpose of the Group's capital Management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital Management is to maximise the shareholder value.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Borrowings (also refer note 22 and 26)	76.43	97.97	232.16	1,541.01
Less: Cash and cash equivalents (also refer note 15)	(278.11)	(1,028.97)	(276.00)	(903.14)
Less: Bank balances other than cash and cash equivalents (also refer note 15)	(983.90)	(813.37)	(1,032.39)	(1,522.59)
Net debt	(1,185.58)	(1,744.37)	(1,076.23)	(884.72)
Equity attributable to equity share holder	3,953.98	3,955.43	3,457.67	3,371.61
Capital and debt	2,768.40	2,211.06	2,381.44	2,486.89
Gearing ratio	-42.83%	-78.89%	-45.19%	-35.58%

In order to achieve this overall objective, the Group's capital Management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the period/year ended 30 June 2025, 31 March 2025, 31 March 2024 and 31 March 2023.

No changes were made in the objectives, policies or processes for managing capital during the period/year ended 30 June 2025, 31 March 2025, 31 March 2024 and 31 March 2023.

45 Employee benefits**(a) Defined contribution plans**

The Group makes contributions, determined as a specified percentage of employee salaries in respect of qualifying employees towards provident fund and employee state insurance fund which is a defined contribution plan. The Group has no obligations other than to make the specified contributions. The Group's contribution is recognised as an expense in the Restated Consolidated Statement of Profit and Loss during the period in which the employee renders the related services.

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Benefit (Contribution to)				
Provident fund	9.99	36.05	36.32	36.77
Employees state insurance	0.12	0.59	0.58	0.65
	10.11	36.64	36.90	37.42

(b) Defined benefit plans

The Group has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. It entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. The plan is managed through Insurance Companies under a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected unit credit method.

The Group is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk: The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk: This is the risk that the Group is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk: The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000).

Note: The above is a standard list of risk exposures in providing the gratuity benefit and not exhaustive list.

45 Employee benefits (continued)

The following tables summarises the components of net benefit expense recognized in the Restated Consolidated Statement of Profit and Loss and amounts recognized in the Restated Consolidated Statement of Assets and Liabilities for the respective plans.

i) Reconciliation of net defined benefit (asset) liability

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
a. Reconciliation of opening and closing balances of obligation				
Obligation at the beginning of the period / year	81.12	86.29	73.40	57.50
Current service cost	3.80	15.16	14.46	13.34
Interest cost	1.20	5.65	4.87	3.60
Past service cost	-	(0.04)	0.03	-
Benefit settled	(2.87)	(7.01)	(5.47)	(1.80)
Actuarial (gains)/ losses recognised in other comprehensive income	11.19	(18.93)	(1.00)	0.76
Obligation at the end of the period / year	94.44	81.12	86.29	73.40

b. Change in fair value of plan assets

Fair value of plan assets as at the beginning of the period / year	4.61	4.28	4.00	3.70
Expected return on plan assets	0.08	0.31	0.29	0.30
Actual Group contributions	-	-	-	-
Actuarial gain/(loss)	0.00	0.02	(0.01)	-
Benefits paid	-	-	-	-
Fair value of plan assets as at the end of the period / year	4.69	4.61	4.28	4.00

c. Reconciliation of fair value of plan assets and obligations

Fair value of plan assets as at the end of the period / year	4.69	4.61	4.28	4.00
Present value of obligation as at the end of the period / year	(94.44)	(81.12)	(86.29)	(73.40)
Amount recognised in the assets/ (liabilities)	(89.75)	(76.51)	(82.01)	(69.40)
Non-current	76.46	65.53	70.58	61.09
Current	13.29	10.98	11.43	8.31

ii) Components of defined benefit costs recognized in the Restated Consolidated Statement of Profit and Loss:

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	3.80	15.16	14.46	13.34
Interest cost	1.20	5.65	4.87	3.60
Past service cost	-	(0.04)	0.03	-
Expected return on plan assets	(0.08)	(0.31)	(0.29)	(0.30)
	4.92	20.46	19.07	16.64

iii) Components of defined benefit costs recognized in other comprehensive

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial (gain)/ loss arising from:				
- Change in financial assumptions	1.84	(18.93)	(2.59)	5.88
- Change in demographic assumptions	-	-	(1.07)	(11.22)
- Experience adjustments	9.35	0.15	2.71	6.10
- Actual return on plan assets less interest on plan assets	(0.00)	-	(0.01)	0.00
	11.19	(18.78)	(0.96)	0.76

iv) Investment details

Others (funds with Life Insurance Corporation of India)	4.69	4.61	4.28	4.00

At each reporting date, an Asset-Liability matching study is performed by the Management of the Group as a consequences of the strategic investment policies are analyzed. The Group has funded the liability with the Insurance Company (i.e, Life Insurance Corporation of India).The entire investible assets are managed by the fund managers of the Insurance Company and the asset values managed by the Insurance Company has been taken for the valuation purpose by actuary. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in an increase in liability without corresponding increase in the asset). The Group mitigates the interest risk and reduces the risk of asset liability mismatch by investing in fixed deposits with banks.

v) Expected contributions to the plan for the next annual reporting period.	17.12	14.86	15.31	12.13

45 Employee benefits (continued)

vi) Assumptions

The principal assumptions used in determining gratuity obligations are shown below:

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Discount rate	6.10% - 6.20%	6.55% - 6.60%	7.15% - 7.20%	7.30%
Rate of escalation in salary	10% - 12%	10% - 12%	10.00% - 13.00%	7.00% - 14%
Withdrawal Rate	19% - 23%	19% - 23%	22.00%	21% - 22%
Retirement age	58 years	58 years	58 years	58 years
Mortality rate during employment		IALM(2012-14) Ult table		

(i) The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date for the estimated term of the obligations.

(ii) The government security yields for the relevant tenure of the obligations have been derived from the rates published by Financial Benchmarks India Pvt. Ltd. (FBIL).

(iii) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

vii) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, future salary growth, attrition rate and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the year/period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	30 June 2025		31 March 2025	
	Increase	Decrease	Increase	Decrease
Impact of change in discount rate by 100 basis points	(3.69)	4.00	(3.37)	3.64
Impact of change in salary rate by 100 basis points	3.16	(3.04)	2.87	(2.77)
Impact of change in attrition rate by 100 basis points	(0.85)	0.90	(0.77)	0.80

Particulars	31 March 2024		31 March 2023	
	Increase	Decrease	Increase	Decrease
Impact of change in discount rate by 100 basis points	(3.69)	4.02	(3.52)	3.85
Impact of change in salary rate by 100 basis points	3.19	(3.07)	3.11	(2.98)
Impact of change in attrition rate by 100 basis points	(0.88)	0.93	(0.97)	1.04

viii) The expected maturity analysis of undiscounted gratuity benefit is as follows :

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Less than a year	18.02	15.18	15.69	12.33
Between 1-2 years	16.44	13.78	14.23	11.08
Between 2-5 years	41.80	35.13	39.61	32.27
Over 5 years	52.29	44.62	57.66	57.21

The weighted average duration of the defined benefit obligations is 4.36 years (31 March 2025 : 4.34 years) (31 March 2024 : 4.58 years) (31 March 2023 : 5 years).

46 Related party disclosure

A. Name of related parties and description of relationship:

Nature of Relationship

i. Enterprises where control exist

Sleepyhead Home Décor Private Limited
Shivaarna Technofoams Private Limited
REM42 Technologies Private Limited
Vazhathoppil Enterprises Private Limited (w.e.f. 19 February 2025 till 31 March 2025)

ii. Key Management Personnel

Mr. Jacob Joseph George, Chairman & Managing Director (Director till 8 September 2025)
Mr. Mathew Chandy, Director (Managing Director till 8 September 2025)
Mr. Mathew George, Director
Mr. Mathew Anthony Joseph, Director
Mr. Stanley Kunjipalu, Director (till 1 October 2025)
Mr. Sridhar Balakrishnan, Chief Executive Officer (w.e.f. from 20 November 2023)
Ms. Anshul Jain, Director (till 3 October 2025)
Mr. Pradeep Mishra, Chief Financial Officer (till 3 September 2022)
Mr. Rajat Rastogi, Chief Financial Officer (w.e.f. 7 September 2022)
Ms. Solly Mathew, Company Secretary
Mr. Pawan Agrawal, Independent Director (w.e.f. from 9 September 2025)
Mrs. Amita Maheshwari, Independent Director (w.e.f. from 9 September 2025)
Mr. Shreyans Daga, Independent Director (w.e.f. from 22 September 2025)
Ms. Anusha Mahalingam, Independent Director (w.e.f. from 6 October 2025)

46 Related party disclosure (continued)

iii. Enterprises in which Key management personnel (KMP) are interested

Coco Latex Exports Private Limited
 Comfortek Advanced Products Private Limited
 Ayubowan Enterprises Private Limited
 Ranul Enterprises Private Limited
 Vazhathoppil Enterprises Private Limited

iv. Relative of Key management personnel (KMP)

George L. Mathew

B. Details of transactions and balances with related parties:

i. Details of transactions with related parties:

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Coco Latex Exports Private Limited				
Legal and professional fee	-	4.00	-	-
Purchases	-	-	49.04	49.37
Rental Income	-	-	0.68	0.90
Sale of property, plant and equipment and capital work in-progress	-	-	-	0.23
Vazhathoppil Enterprises Private Limited				
Rental expense	0.15	-	-	-
Stanley Kunjipalu				
Professional fees	0.54	1.95	1.95	1.95
Expense reimbursements	0.09	0.37	0.08	0.29
Mathew George				
Purchase of equity shares of Vazhathoppil Enterprises Private Limited	-	0.05	-	-
Jacob Joseph George				
Purchase of equity shares of Vazhathoppil Enterprises Private Limited	-	0.05	-	-
Key Management Personnel				
Short-term employee benefits	24.32	92.07	48.72	38.50
Share-based payment expense	3.87	16.76	5.63	1.86
Post-employment benefits	0.19	0.61	1.14	1.47
George L. Mathew				
Rental Expense	0.16	0.60	0.60	0.60

ii. Details of balance receivable from and payable to related parties:

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Coco Latex Exports Private Limited				
Trade receivables	-	-	-	0.20
Trade payables	-	-	-	1.93
Advance against purchases and rendering of services	-	-	1.36	-
Vazhathoppil Enterprises Private Limited				
Deferred consideration	39.88	-	-	-

46 Related party disclosure (continued)

C. Details of transactions and balances in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

i. Details of the transactions eliminated:

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
<u>In the books of Duroflex Limited (formerly known as Duroflex Private Limited)</u>				
Sleepyhead Home Décor Private Limited				
Selling and distribution expenses	7.65	43.49	56.85	46.98
Rental income	0.20	0.78	0.42	0.41
Investment into equity shares	-	-	-	0.11
Shivaarna Techno Foams Private Limited				
Revenue from operations	255.66	590.19	452.42	593.74
Purchase	227.99	657.97	464.72	523.12
Rental Expense	0.84	3.37	2.41	2.16
Interest income	-	-	-	57.24
Sale of Property, plant and equipment	-	-	-	8.71
Purchase of property, plant and equipment and capital work in-progress	-	-	-	28.19
Repayment of working capital loan	-	-	-	763.20
Investment into equity shares	-	-	-	799.89
REM42 Technologies Private Limited				
Information Technology expenses	17.32	66.04	28.26	-
Rental income	0.41	1.58	1.49	1.38
Interest income	-	-	-	8.49
Loan Given	-	-	-	87.36
Repayment of loan given	-	-	-	146.96
Reimbursement of expenses incurred	-	-	-	10.71
Investment into equity shares	-	-	-	180.00
Vazhathoppil Enterprises Private Limited				
Investment into equity shares	-	0.90	-	-
<u>In the books of Shivaarna Technofoams Private Limited</u>				
Duroflex Limited (formerly known as Duroflex Private Limited)				
Revenue from operations	227.99	657.97	464.72	523.12
Rental income	0.84	3.37	2.41	2.16
Purchases	255.66	590.19	452.42	593.74
Purchase of property, plant and equipment	-	-	-	8.71
Sale of Property, plant and equipment	-	-	-	28.19
Interest on unsecured loan	-	-	-	57.24
Repayment of Loan (including interest)	-	-	-	763.20
Issue of equity shares capital	-	-	-	799.89
Rem42 Technologies Private Limited				
Information Technology Expenses	3.21	12.26	4.60	-
<u>In the books of Sleepyhead Home Décor Private Limited</u>				
Duroflex Limited (formerly known as Duroflex Private Limited)				
Revenue from operations	7.65	43.49	56.85	46.98
Rent expense	0.20	0.78	0.42	0.41
Issue of equity shares capital	-	-	-	0.11
Rem42 Techonologies Private Limited				
Information Technology expenses	0.10	0.38	-	-

46 Related party disclosure (continued)

C. Details of transactions and balances in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (continued)

i. Details of the transactions eliminated: (continued)

Particulars	For the three months period ended 30 June 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023

In the books of REM42 Technologies Private Limited**Duroflex Limited (formerly known as Duroflex Private Limited)**

Revenue from operations	17.32	66.04	28.26	-
Rent expenses	0.41	1.58	1.49	0.60
Repairs and Maintenance	-	-	-	0.78
Issue of share capital	-	-	-	180.00
Long term borrowings obtained	-	-	-	87.36
Repayment of long term borrowings	-	-	-	146.96
Interest on unsecured loan	-	-	-	8.49
Reimbursement of expenses incurred	-	-	-	10.71

Shivaarna Technofoams Private Limited

Revenue from operations	3.21	12.26	4.60	-

Sleepyhead Home Décor Private Limited

Revenue from operations	0.10	0.38	-	-

In the books of Vazhathoppil Enterprises Private Limited**Duroflex Limited (formerly known as Duroflex Private Limited)**

Issue of share capital	-	0.90	-	-

ii. Details of the balances eliminated:

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023

In the books of Duroflex Limited (formerly known as Duroflex Private Limited)**Sleepyhead Home Décor Private Limited**

Trade payables	13.51	12.20	-	-
Advance to suppliers	-	-	1.78	-

Shivaarna Techno Foams Private Limited

Trade receivables	50.24	8.41	14.77	75.46
Trade payables	7.09	2.79	0.37	27.84
Corporate guarantee given	251.90	251.90	337.10	537.00

REM42 Technologies Private Limited

Advance to suppliers	0.36	-	-	2.08
Trade payables	-	4.90	3.84	-
Reimbursement receivable	-	-	-	12.09

Vazhathoppil Enterprises Private Limited

Advance to suppliers	-	0.04	-	-

In the books of Shivaarna Technofoams Private Limited**Duroflex Limited (formerly known as Duroflex Private Limited)**

Trade Payables	50.24	8.41	14.77	75.46
Trade Receivables	7.09	2.79	0.37	27.84
Corporate guarantee received	251.90	251.90	337.10	537.00

Rem42 Technologies Private Limited

Trade Payables	2.66	1.44	1.22	-

46 Related party disclosure (continued)

C. Details of transactions and balances in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (continued)

ii. Details of the balances eliminated: (continued)

Particulars	As at 30 June 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<u>In the books of Sleepyhead Home Décor Private Limited</u>				
Duroflex Limited (formerly known as Duroflex Private Limited)				
Contract liabilities	-	-	1.78	-
Trade Receivables	13.51	12.20	-	-
REM42 Technologies Private Limited				
Trade Payables	0.11	0.08	-	-
<u>In the books of REM42 Technologies Private Limited</u>				
Duroflex Limited (formerly known as Duroflex Private Limited)				
Trade receivables	-	4.90	3.84	-
Trade Payables	-	-	-	14.17
Contract liabilities	0.36	-	-	-
Shivaarna Techno Foams Private Limited				
Trade receivables	2.66	1.44	1.22	-
Sleepyhead Home Décor Private Limited				
Trade receivables	0.11	0.08	-	-
<u>In the books of Vazhathoppil Enterprises Private Limited</u>				
Duroflex Limited (formerly known as Duroflex Private Limited)				
Trade payables	-	0.04	-	-

All transactions with these related parties are priced on an arms length basis.

47 Business combination under common control

a) The Board of Directors in their meeting held on 15 November 2023, considered and approved a scheme of amalgamation of Palmspring Mattresses Private Limited ('Transferor Company') and Duroflex Private Limited ('the Company' or 'Transferee Company') and their respective shareholders and creditors ("Scheme of Amalgamation") under Section 233 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013. The scheme was approved by the Regional Director on 27 March, 2024 and on filing of the scheme with Registrar of Companies, the Scheme became effective on 29 March, 2024. Pursuant to the Scheme becoming effective, the transferor company is merged into the Resulting Company with effect from 1 April, 2023 i.e. the Appointed Date.

This transaction being a Business Combination between entities under common control in accordance with the requirements of Ind AS 103 "Business Combinations" is accounted using the pooling of interests method. The assets and liabilities of the combining business is accounted at the carrying value of assets and liabilities pertaining to subsidiary are recognised as appearing in the standalone financial statements of the Company.

b) The Board of Directors in their meeting held on 15 November 2023, considered and approved a scheme of arrangement of between Sleepyhead Home Décor Private Limited ('Demerged Company') and Duroflex Private Limited ('the Company' or 'Resulting Company') and their respective shareholders and creditors ("Scheme of Arrangement") under Section 233 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013. The scheme was approved by the Regional Director on 27 March, 2024 and on filing of the scheme with Registrar of Companies, the Scheme became effective on 29 March, 2024. Pursuant to the Scheme becoming effective, the Trading business undertaking is demerged from the Demerged Company and transferred to and vested in the Resulting Company with effect from 1 April, 2023 i.e. the Appointed Date.

This transaction being a Business Combination between entities under common control in accordance with the requirements of Ind AS 103 "Business Combinations" is accounted using the pooling of interests method. The assets and liabilities of the combining business is accounted at the carrying value of assets and liabilities pertaining to subsidiary are recognised as appearing in the standalone financial statements of the Company.

48 During the year ended 31 March 2025, the Company's Management identified instances of kickbacks received amounting to Rs. 38.24 millions (during the period from November 2019 to November 2024) by certain employees (the "employees") of the Company. An investigation was conducted by the Management with the help of an external consultant subsequent to which the employees accepted the receipt. The Company was able to recover Rs. 27.40 millions from the employees and necessary action was taken against the employees which included termination of employment for certain employees. Management has accounted for the amount recovered as a part of Miscellaneous income under note 32 of Other income.

Based on a detailed assessment of the findings and review of control framework, the Board of Directors and Management believe that this was an isolated incident. The Board of Directors and Management have taken the recommendations in the investigation report by the external consultant into consideration.

49 Additional regulatory information required by Schedule III

- a. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- b. The Group does not have any transactions with companies struck off.
- c. The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current period or previous years.
- d. The Group has not traded or invested in Crypto currency or Virtual currency .
- e. The Group has not advanced or loaned or invested funds to any persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- f. The Group has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- g. The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).
- h. None of the entities in the group have been declared wilful defaulter by any bank or financial institution or government or any government authority.
- i. The Group has complied with the number of layers prescribed under the Companies Act, 2013.
- j. The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond statutory period.
- k. The Group has entered into scheme of arrangement which has an accounting impact on the period ended 30 June 2025 and 31 March 2024. (Refer Notes 53 and 47 respectively).

50 During the three months period ended 30 June 2025 and year ended 31 March 2025, 31 March 2024 and 31 March 2023 the Group has not incurred material foreseeable loss for any long-term contract including derivative contracts.

51 No dividends were declared during the three months period ended 30 June 2025 and year ended 31 March 2025, 31 March 2024 and 31 March 2023.

52 Operating segment

Based on the guiding principles given in Ind AS 108 on 'Operating Segments', the Groups's business activity falls within one operating segment. The Board of Directors monitors the operating results as a whole for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the Restated Consolidated Financial information, thus the disclosures requirements under Ind AS 108 – "Segment Reporting" are not applicable. The Group does not have any non-current assets outside India.

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53 Demerger of Operations

The Board of Directors in their meeting held on 5 March 2025, considered and approved a scheme of arrangement between Duroflex Limited (formerly known as Duroflex Private Limited) ('Demerged Company') and Vazhathoppil Enterprises Private Limited ('Resulting Company') and their respective shareholders and creditors ("Scheme of Arrangement") under Section 233 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013. The Scheme of Arrangement was approved by the Regional Director on 7 July 2025. Pursuant to the Scheme of Arrangement being approved, the Warehousing business undertaking is demerged from the Demerged Company and transferred to and vested in the Resulting Company with effect from 1 April 2025 i.e. the Appointed Date.

The details of assets and liabilities transferred to the Resulting Company are as under:

Particulars	Warehousing Division
ASSETS	
Non-current assets	
Investment Property	12.57
Investment into equity shares	1.00
Total non-current assets	13.57
Current assets	
Financial assets	
(i) Trade receivables (net off allowance for expected credit loss of Rs. 0.80 million)	1.28
(ii) Cash and cash equivalents*	40.00
Other current assets	0.56
Total current assets	41.84
Total assets	55.41
EQUITY AND LIABILITIES	
Equity	
Other equity	9.97
Total equity	9.97
Liabilities	
Current liabilities	
Financial liabilities	
(i) Other financial liabilities	0.66
Total current liabilities	0.66
Total liabilities	0.66
Total equity and liabilities	10.63
Demerger deficit reserve on account of demerger	44.78

The Group has recognised the effect of demerger and the difference of Rs. 44.78 million i.e. excess of the value of transferred assets over the transferred liabilities pertaining to the demerged undertaking pursuant to the Scheme of Arrangement has been accounted as Demerger deficit reserve of the Group.

* Out of cash and cash equivalents to be transferred to the resulting company pursuant to the Scheme of Arrangement, an amount of Rs. 39.88 million is payable as at 30 June 2025.

54 Details of loans and advances granted to Directors, Promoters, KMPs and related parties

There were no loans and advances given to promoters, directors, key managerial persons or other related parties as at or during the three months period ended 30 June 2025 and year ended 31 March 2025, 31 March 2024 and 31 March 2023.

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55 Additional information pursuant to paragraph 2 of Divisions II of Schedule III to the Companies Act, 2013 'General instructions for preparation of Consolidated Financial Statements'

As at/ for the three months period ended 30 June 2025

Sl no.	Name of the entity	Net Assets		Share in Profit or loss		Share in Other Comprehensive income		Share in Total Comprehensive income	
		As a % of Consolidated Net Assets	Amount	As a % of consolidated (profit) or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated other comprehensive income	Amount
A Parent	Duroflex Limited (formerly known as Duroflex Private Limited)	103%	4,065.80	93%	52.47	96%	(8.02)	92%	44.45
B Subsidiaries	Sleepyhead Home Décor Private Limited	1%	25.69	1%	0.45	-1%	0.08	1%	0.53
	Shivaarna Technofoams Private Limited	16%	624.70	2%	1.15	4%	(0.34)	2%	0.81
	Rem42 Technologies Private Limited	1%	20.78	4%	2.32	1%	(0.09)	5%	2.23
C	Adjustment arising out of Consolidation	-21%	(782.99)	0%	-	0%	-	0%	-
Total		100.00%	3,953.98	100%	56.39	100%	(8.37)	100%	48.02

As at/ for the year ended 31 March 2025

Sl no.	Name of the entity	Net Assets		Share in Profit or loss		Share in Other Comprehensive income		Share in Total Comprehensive income	
		As a % of Consolidated Net Assets	Amount	As a % of consolidated (profit) or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated other comprehensive income	Amount
A Parent	Duroflex Limited (formerly known as Duroflex Private Limited)	103%	4,070.81	83%	389.29	101%	19.06	83%	408.35
B Subsidiaries	Sleepyhead Home Décor Private Limited	1%	25.25	2%	9.74	0%	(0.01)	2%	9.73
	Shivaarna Technofoams Private Limited	16%	624.04	13%	63.47	0%	0.03	13%	63.50
	Rem42 Technologies Private Limited	0%	18.55	2%	9.00	-1%	(0.15)	2%	8.85
	Vazhathoppil Enterprises Private Limited	0%	0.73	0%	(0.18)	0%	-	0%	(0.18)
C	Adjustment arising out of Consolidation	-20%	(783.95)	0%	0.31	0%	-	0%	0.31
Total		100%	3,955.43	100%	471.63	100%	18.93	100%	490.56

55 Additional information pursuant to paragraph 2 of Divisions II of Schedule III to the Companies Act, 2013 'General instructions for preparation of Consolidated Financial Statements' (continued)

As at/ for the year ended 31 March 2024

Sl no.	Name of the entity	Net Assets		Share in Profit or loss		Share in Other Comprehensive income		Share in Total Comprehensive income	
		As a % of Consolidated Net Assets	Amount	As a % of consolidated (profit) or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated other comprehensive income	Amount
A	Parent Duroflex Limited (formerly known as Duroflex Private Limited)	106%	3,655.42	73%	81.57	-3%	1.45	117%	83.02
B	Subsidiaries Sleepyhead Home Décor Private Limited	0%	15.36	3%	3.79	0%	(0.08)	5%	3.71
	Shivaarna Technofoams Private Limited	16%	560.44	-16%	(17.67)	0%	(0.03)	-25%	(17.70)
	Rem42 Technologies Private Limited	0%	9.70	2%	2.09	103%	(42.66)	-57%	(40.57)
C	Adjustment arising out of Consolidation	-22%	(783.25)	38%	42.22	0%	-	60%	42.22
Total		100%	3,457.67	100%	112.00	100%	(41.32)	100%	70.68

As at/ for the year ended 31 March 2023

Sl no.	Name of the entity	Net Assets		Share in Profit or loss		Share in Other Comprehensive income		Share in Total Comprehensive income	
		As a % of Consolidated Net Assets	Amount	As a % of consolidated (profit) or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated other comprehensive income	Amount
A	Parent Duroflex Limited (formerly known as Duroflex Private Limited)	128%	4,310.70	-164%	254.20	5%	(1.90)	-132%	252.30
B	Subsidiaries Palmspring Mattresses Private Limited	5%	153.70	-49%	75.30	0%	-	-40%	75.30
	Sleepyhead Home Décor Private Limited	12%	390.60	184%	(284.00)	-4%	1.50	149%	(282.50)
	Shivaarna Technofoams Private Limited	17%	578.20	32%	(50.10)	-1%	0.20	26%	(49.90)
	Rem42 Technologies Private Limited	1%	50.30	90%	(139.90)	100%	(34.40)	92%	(174.30)
C	Non-controlling interest in subsidiaries	0%	-	0%	-	0%	-	0%	-
D	Adjustment arising out of Consolidation	-63%	(2,111.89)	7%	(10.24)	0%	0.05	5%	(10.19)
Total		100%	3,371.61	100%	(154.74)	100%	(34.55)	100%	(189.29)

56 Events occurring after the reporting period

a) The Board of Directors of the Company, in their meeting held on 8 September 2025, considered and approved the transfer of 4,00,000 equity shares of face value Re. 1/- each, held by Coco-Latex Exports Private Limited, pursuant to the Share Transfer Agreements dated 15 July 2025.

The shares are being transferred in equal proportion of 1,00,000 (One Lakh) equity shares each to Mr. Jacob Joseph George, Mr. Mathew Chandy, Mr. Mathew Antony Joseph and Mr. Mathew George.

b) Pursuant to the resolution passed in the board meeting and special resolution passed in the extraordinary general meeting of the shareholders of the Company held on 9 September 2025, the Company had filed an application with the Registrar of Companies, Kerala for conversion from a Private Limited Company to a Public Limited Company which was approved by the Registrar of Companies on 17 September 2025 and consequently the Company's name has changed from Duroflex Private Limited to Duroflex Limited vide the new certificate of incorporation.

c) The Board of Directors at its meeting held on 8 September 2025, has recommended the bonus issue of equity shares in the ratio of 3:5 i.e., 3 equity shares will be issued for every 5 existing fully paid-up equity share held by the shareholder, which was further approved by the shareholders by means of a special resolution in their Extra Ordinary General Meeting dated 25 September 2025. The record date for the bonus share is 23 September 2025.

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

Firm registration number: 101248 W/W-100022

for and on behalf of the board of directors of

Duroflex Limited (formerly known as Duroflex Private Limited)

Vikash Gupta

Partner

Membership No.: 064597

Place: Bengaluru

Date: 11 October 2025

Jacob Joseph George

Chairman & Managing Director

DIN: 06603830

Place: Bengaluru

Date: 11 October 2025

Mathew Chandy

Whole-time Director

DIN: 05289633

Place: Bengaluru

Date: 11 October 2025

Sridhar Balakrishnan

Chief Executive Officer

Place: Bengaluru

Date: 11 October 2025

Solly Mathew

Company Secretary

Membership No.: 6028

Place: Bengaluru

Date: 11 October 2025

Rajat Rastogi

Chief Financial Officer

Place: Bengaluru

Date: 11 October 2025

OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations derived from our Restated Consolidated Financial Information are given below:

(in ₹ million, unless otherwise stated)

Particulars	As at and for the			
	Three months period ended June 30, 2025	Financial Year ended March 31, 2025	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023
Equity share capital	59.76	59.76	59.76	59.76
Profit/(Loss) for the period /year	56.39	471.63	112.00	(154.74)
Basic earnings per share (in ₹) ⁽¹⁾	0.59	4.93	1.17	(1.62)
Diluted earnings per share (in ₹) ⁽²⁾	0.59	4.93	1.17	(1.62)
Net Worth ⁽³⁾	4,032.17	3,988.84	3,491.08	3,362.70
Return on Net Worth (%) ⁽⁴⁾	1.40%	11.82%	3.21%	(4.60%)
Net Asset Value per equity share (in ₹) ⁽⁵⁾	42.12	41.67	36.41	35.17
EBITDA ⁽⁶⁾	211.68	979.79	627.38	568.52

Notes:

- (1) Basic earnings per share is calculated by dividing the profit/(loss) for the period/year attributable to equity Shareholders by the weighted average number of Equity Shares outstanding during the period/year.
- (2) Diluted earnings per share is calculated by dividing profit/(loss) for the period/year attributable to equity Shareholders by the weighted average number of Equity Shares outstanding during the period/year adjusted for the effect of potential equity shares on employee stock option outstanding.
- (3) As per Regulation 2(1)(hh) of SEBI ICDR Regulations, as amended, Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated consolidated statement of assets and liabilities, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Further, Net Worth is calculated as sum of equity share capital and other equity excluding capital reserve, other comprehensive income and demerger deficit reserve.
- (4) Return on Net Worth (%) is computed as profit/(loss) for the period/year divided by Net Worth as at the end of the period/year. As per Regulation 2(1)(hh) of SEBI ICDR Regulations, as amended, net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated consolidated statement of assets and liabilities, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Further, Net Worth is calculated as sum of equity share capital and other equity excluding capital reserve, other comprehensive income and demerger deficit reserve.
- (5) Net Asset Value per equity share represents Net Worth at the end of the period/ year divided by number of equity shares outstanding at the end of the period/year end. Number of equity shares outstanding at the end of the period/year is an aggregate of number of equity shares considering dilutive number of shares and adjusted for equity shares issued due to stock split during the period / year and bonus issue of equity shares.
- (6) EBITDA is calculated as profit/(loss) for the period/year plus tax expense plus finance costs plus depreciation and amortisation expense.

For details of reconciliation, please refer to “- Reconciliation of Non-GAAP Financial Measures” on page 347.

Non-GAAP Financial Measures

This Draft Red Herring Prospectus includes certain Non-GAAP Measures and other statistical information relating to our operations and financial performance namely Gross profit, Gross profit margin, EBITDA, EBITDA Margin, EBITDA growth, PAT Margin, Return on equity, EBIT, Capital employed, Return on capital employed, Net working capital days, Net Asset Value per equity share, Net Worth and Return on Net Worth have been included in this Draft Red Herring Prospectus. Certain other industry measures such as Products wise volume, COCO Stores at the end of the period/ year, Trade Stores, Channel Wise Revenue as presented below. These Non-GAAP Measures are not required by or presented in accordance with Ind AS.

Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS. In addition, these Non-GAAP Measures are not standardized terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company’s operating performance.

Analysts, and other interested parties frequently use various Non-GAAP Measures as performance measures, and our management believes that providing such Non-GAAP Measure allows users to make additional comparisons and to understand our ongoing business.

Reconciliation of Non-GAAP Financial Measures

Reconciliation of Gross profit and Gross profit margin (%)

Gross Profit is calculated as revenue from operations less the cost of goods sold. Cost of goods sold is the sum of cost of materials consumed, Purchase of stock-in-trade and changes in inventories of finished goods, semi-finished goods and stock in trade (excluding certain other direct expenses such as employee benefit expenses and other expenses).

Gross profit margin (%) is calculated as gross profit divided by revenue from operations.

(in ₹ million unless otherwise indicated)

Particulars	For the three months period ended June 30, 2025	For the financial year ended		
		March 31, 2025	March 31, 2024	March 31, 2023
Revenue from operations (I)	2,925.19	11,342.50	10,952.96	10,574.87
Cost of materials consumed (II)	1,623.02	6,144.15	5,698.14	5,351.33
Purchase of stock-in-trade (III)	84.83	334.46	394.95	537.97
Changes in inventories of finished goods, semi-finished goods and stock in trade (IV)	(71.13)	(7.65)	37.77	161.01
Cost of goods sold (V) = (II+III+IV)	1,636.72	6,470.96	6,130.86	6,050.31
Gross Profit (VI) = (I-V)	1,288.47	4,871.54	4,822.10	4,524.56
Gross Profit Margin (%) (VII) = (VI)/(I)	44.05%	42.95%	44.03%	42.79%

Reconciliation of EBITDA, EBITDA Margin (%) and EBITDA growth (%)

EBITDA is calculated as profit/(loss) for the period/year plus tax expense plus finance costs plus depreciation and amortisation expense.

EBITDA Margin (%) is calculated as EBITDA as a percentage of revenue from operations.

EBITDA growth (%) is calculated as EBITDA of the relevant fiscal year less EBITDA of the corresponding previous fiscal year, divided by the EBITDA of the corresponding previous fiscal year multiplied by 100.

(in ₹ million unless otherwise indicated)

Particulars	For the three months period ended June 30, 2025	For the Financial Year ended		
		March 31, 2025	March 31, 2024	March 31, 2023
Profit / (Loss) for the period / year (I)	56.39	471.63	112.00	(154.74)
Tax expense (II)	22.24	20.16	(17.00)	109.82
Finance costs (III)	29.55	69.93	97.36	167.90
Depreciation and amortisation expense (IV)	103.50	418.07	435.02	445.54
EBITDA (V) = (I+II+III+IV)	211.68	979.79	627.38	568.52
Revenue from operations (VI)	2,925.19	11,342.50	10,952.96	10,574.87
EBITDA Margin (%) (VII) = (V)/(VI)	7.24%	8.64%	5.73%	5.38%
EBITDA growth (%)	NA	56.17%	10.35%	NA

Reconciliation of PAT Margin

PAT Margin is calculated as profit/(loss) for the period/year as a percentage of revenue from operations.

(in ₹ million unless otherwise indicated)

Particulars	For the three months period ended June 30, 2025	For the Financial Year ended		
		March 31, 2025	March 31, 2024	March 31, 2023
Profit / (Loss) for the period / year (I)	56.39	471.63	112.00	(154.74)
Revenue from operations (II)	2,925.19	11,342.50	10,952.96	10,574.87
PAT Margin (%) (III) = (I)/(II)	1.93%	4.16%	1.02%	(1.46%)

Reconciliation of Return on Equity

Return on equity is calculated as profit/(loss) for the period/year attributable to owners of the Company divided by average total equity attributable to owners of the Company as at period/year end.

(in ₹ million unless otherwise indicated)

Particulars	As at/For the three months period ended June 30, 2025	As at/For the Financial Year ended		
		March 31, 2025	March 31, 2024	March 31, 2023
Profit / (Loss) for the period / year attributable to owners of our Company (I)	56.39	471.63	112.00	(154.74)
Opening total equity attributable to owners of the Company (II)	3,955.43	3,457.67	3,371.61	3,547.98
Closing total equity attributable to owners of the Company (III)	3,953.98	3,955.43	3,457.67	3,371.61
Average total equity attributable to owners of the Company (IV) = ((II)+(III))/2	3,954.71	3,706.55	3,414.64	3,459.80
Return on equity (V) = (I)/(IV)	1.43%	12.72%	3.28%	(4.47%)

Reconciliation of EBIT, Capital Employed and Return on Capital Employed

Return on capital employed is calculated as Earnings before interest and taxes (“EBIT”) divided by capital employed. EBIT is calculated as profit/(loss) for the period/year attributable to owners of our Company plus tax expenses plus finance costs. Capital employed being computed as the sum of total equity and current and non-current borrowings less goodwill and other intangible assets, intangible assets under development and deferred tax assets.

(in ₹ million unless otherwise indicated)

Particulars	As at/For the three months period ended June 30, 2025	As at/For the Financial Year ended		
		March 31, 2025	March 31, 2024	March 31, 2023
Profit / (Loss) for the period / year (I)	56.39	471.63	112.00	(154.74)
Tax expense (II)	22.24	20.16	(17.00)	109.82
Finance costs (III)	29.55	69.93	97.36	167.90
EBIT (IV) = (I+II+III)	108.18	561.72	192.36	122.98
Total equity (V)	3,953.98	3,955.43	3,457.67	3,371.61
Current Borrowings (VI)	51.87	61.49	134.62	1,309.33
Non-current Borrowings (VII)	24.56	36.48	97.54	231.68
Goodwill (VIII)	113.73	113.93	113.73	113.73
Other intangible assets (IX)	16.84	18.92	27.83	29.87
Intangible assets under development (X)	0.82	0.82	-	6.60
Deferred tax assets (net) (XI)	161.24	148.79	104.91	82.77
Capital employed (XII) = (V+VI+VII-VIII-IX-X-XI)	3,737.78	3,770.94	3,443.36	4,679.65
Return on capital employed(XIII) = (IV)/(XII)	2.89%	14.90%	5.59%	2.63%

Reconciliation of Net working capital days

Net working capital days is calculated as (average net working capital divided by revenue from operations)*no. of days in the year. However, for the three months period ended June 30, 2025, net working capital days is calculated as (average net working capital divided by revenue from operations)*91. Net working capital is calculated as inventories plus trade receivables minus trade payables. Average Net Working Capital is calculated as the (Net Working Capital as of the current year/period + Net Working Capital as of the previous year/period)/2.

(in ₹ million unless otherwise indicated)

Particulars	As of/For the three months period ended June 30, 2025	As of/For the Financial Year ended		
		March 31, 2025	March 31, 2024	March 31, 2023
Inventories (I)	1,063.41	1,003.87	882.56	1,016.57
Trade receivables (II)	1,082.52	902.42	753.08	784.84
Trade payables (III)	1,840.81	1,598.47	1,186.44	1,422.29
Net working capital (IV) = (I+II-III)	305.12	307.82	449.20	379.12
Average net working capital (IV)	306.47	378.51	414.16	539.20
Revenue from operations (V)	2,925.19	11,342.50	10,952.96	10,574.87
Net working capital days (VI) = (IV)/(V)* no. of days in the period/year	9.53	12.18	13.84	18.61

Reconciliation of Net Worth and Return on Net Worth

As per Regulation 2(1)(hh) of SEBI ICDR Regulations, as amended, net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated consolidated statement of assets and liabilities, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Further, net worth is calculated as sum of equity share capital and other equity excluding capital reserve, other comprehensive income and demerger deficit reserve.

Return on Net Worth (%) is computed as profit/(loss) for the period/year divided by Net Worth as at the end of the period/year.

(in ₹ million unless otherwise indicated)

Particulars	As at/For the period ended June 30, 2025	As at/For the Financial Year ended		
		March 31, 2025	March 31, 2024	March 31, 2023
Equity share capital (I)	59.76	59.76	59.76	59.76
Other equity (II)	3,894.22	3,895.67	3,397.91	3,311.85
Other comprehensive income (III)	(76.72)	(76.72)	(76.72)	(34.40)
Capital reserve (IV)	43.31	43.31	43.31	43.31
Demerger deficit reserve (V)	(44.78)	-	-	-
Net Worth (VI) = (I+II-III-IV-V)	4,032.17	3,988.84	3,491.08	3,362.70
Profit / (Loss) for the period / year (VII)	56.39	471.63	112.00	(154.74)
Return on Net Worth (VIII) = (VI)/(VII)	1.40%	11.82%	3.21%	(4.60%)

Reconciliation of Net Asset Value per equity share

Net Asset Value per equity share represents Net Worth at the end of the period/ year divided by number of equity shares outstanding at the end of the period/year end. Number of equity shares outstanding at the end of the period/year is an aggregate of number of equity shares considering dilutive number of shares and adjusted for equity shares issued due to stock split during the period / year and bonus issue of equity shares.

Particulars	As at period ended June 30, 2025	As at		
		March 31, 2025	March 31, 2024	March 31, 2023
Net Worth (I) (in ₹ million)	4,032.17	3,988.84	3,491.08	3,362.70
Number of equity shares outstanding at the end of the period/year considering dilutive number of shares and adjusted for equity shares issued due to stock split during the period / year and bonus issue of equity shares (II)	95,722,895	95,729,451	95,873,743	95,612,576
Net Asset Value per equity share (III)=(I)/(II) (in ₹)	42.12	41.67	36.41	35.17

Audited standalone financial statements of our Company and material subsidiaries

In accordance with the Schedule VI, Part A (11)(I)(A)(ii)(b) of the SEBI ICDR Regulations, the audited standalone financial statements of our Company, for the Fiscals 2025, 2024 and 2023 and the reports thereon (collectively, the “**Company Audited Financial Statements**”) and the audited standalone financial statements for Fiscals 2025, 2024 and 2023, and the reports thereon (“**Subsidiaries Audited Financial Statements**”) for three of our Subsidiaries, namely Shivaarna, REM42 and Sleepyhead, which have deemed as ‘material subsidiaries’ only for the purpose of uploading standalone audited financial statements on the website of our Company, are available at www.duroflexworld.com/pages/investor-relations.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Company Audited Financial Statements and Subsidiaries Audited Financial Statements (collectively, the “**Audited Financial Statements**”) do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements should not be considered as part of information that any investor should consider when subscribing for or purchasing any securities of our Company and should not be relied upon or used as a basis for any investment decision.

None of our Company or any of its advisors, nor BRLMs nor any of their respective employees, directors, affiliates, agents, or representatives, to the extent applicable, accept any liability whatsoever for any loss, direct or indirect, arising from reliance placed on any information presented or contained in the Restated Consolidated Financial Information, or the opinions expressed therein.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e., Ind AS 24 ‘Related Party Disclosures’ for the three months period ended June 30, 2025 and the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023, and as reported in the Restated Consolidated Financial Information, see “*Restated Consolidated Financial Information – Note 46: Related Party Disclosures*” on page 336.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at June 30, 2025, derived from our Restated Consolidated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with "Risk Factors", "Restated Consolidated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 32, 269, and 352, respectively.

(₹ in million, except ratios)

Particulars	Pre-Offer as at June 30, 2025*	As adjusted for the proposed Offer [#]
Borrowings		
Non-current Borrowings (A)*	24.56	[●]
Current Borrowings (B)*	51.87	[●]
Total borrowings (C = A+B)	76.43	[●]
Equity		
Equity-share capital (D)*	59.76	[●]
Other equity (E)	3,894.22	[●]
Total Equity (F) = (E+D)	3,953.98	[●]
Non-current borrowings / Total Equity (G) = (A/F)	0.01	[●]
Total Borrowings / Total Equity (H) = (C/F)	0.02	[●]

* These terms carry the meaning as per Schedule III of the Companies Act, 2013 (as amended).

The corresponding post offer capitalisation data for each of amounts mentioned in the above table is not determinable at this stage pending the completion of book building process and hence the same has not been provided in above table. To be updated upon finalization of the Offer Price.

** As certified by P K Shah & Co, Chartered Accountants, having firm registration number 308150E, by way of their certificate dated October 15, 2025.

Notes:

- ¹⁾ Subsequent to the three months period ended June 30, 2025 the Board in its meeting held on September 8, 2025 and Shareholders in the Extraordinary General Meeting held on September 25, 2025 approved the issuance of bonus equity share of ₹ 1 each in the ratio of 3 Equity Shares for every 5 Equity Share held.
- ²⁾ Subsequent to the three months period ended June 30, 2025, the Board in its meeting held on September 8, 2025, considered and approved the transfer of equity shares of Duroflex Limited (formerly known as Duroflex Private Limited) held by Coco-Latex Private Limited.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey the management's perspective on our financial condition and results of operations for the three months period ended June 30, 2025, and Fiscals 2025, 2024 and 2023 and should be read in conjunction with "Restated Consolidated Financial Information" on page 269.

This Draft Red Herring Prospectus may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Draft Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 30. Also see "Risk Factors" and "– Significant Factors Affecting our Financial Condition and Results of Operations" on pages 32 and 354, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.

Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that year. Unless otherwise indicated or the context otherwise requires, the financial information for the three months period ended June 30, 2025, and Fiscals 2025, 2024 and 2023 included herein is derived from the Restated Consolidated Financial Information, included in this Draft Red Herring Prospectus. Financial information for the three months period ended June 30, 2025, is not comparable with financial information for the years ended March 31, 2025, March 31, 2024, and March 31, 2023. For further information, see "Restated Consolidated Financial Information" on page 269.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Industry Report on PU Foam, Mattress, Home Comfort Accessories and Furniture Market in India" dated October 13, 2025 (the "**TKC Report**") prepared and issued by The Knowledge Company LLP, appointed by us pursuant to an engagement letter dated July 14, 2025 and exclusively commissioned and paid for by us to enable investors to understand the industry in which we operate in connection with the Offer. The data included herein includes excerpts from the TKC Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, financial, operational, industry and other related information derived from the TKC Report and included herein with respect to any particular calendar year/ Fiscal refers to such information for the relevant calendar year/ Fiscal. For further information, see "Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the TKC Report which is a paid report and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 59. Also see, "Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data – Industry and Market Data" on page 29.*

OVERVIEW

We are a provider of sleep and comfort solutions in India, with a diversified omni-channel distribution network. Our business has a continuing legacy of over 60 years, with our predecessor entity having been established in 1963. We manufacture a wide range of products, including foam, mattresses, sofas, recliners, beds, pillows, accessories and other furnishings. According to the TKC Report, we are among the top three largest mattress companies in India, with 8% branded modern mattress market share by value for Fiscal 2025. In South India, which has traditionally been our largest geographic market, we are among the top two players in the branded modern mattress segment with a market share of approximately 20% for Fiscal 2025. In addition, our revenue has grown at a CAGR of 21.81% from Fiscal 2020 to Fiscal 2025, in line with our listed mattress and home furnishing peer companies. Further, for Fiscal 2025, we have the highest profit after tax margins and ROCE among our listed mattress and home furnishing peer companies with revenue greater than ₹ 5,000 million. (Source: TKC Report).

We have technology enabled and vertically integrated manufacturing operations, with seven manufacturing facilities located across India and the ability to produce all of our required foam, which is the primary raw material for mattresses and sofas, in-house. Further, we have a significant presence across all distribution channels (and our network covers 73 COCO Stores, 375 distributors reaching 5,576 general trade stores and major e-commerce platforms, each as of June 30, 2025). According to the TKC Report, we were the first established brand in the mattress and furniture industry to launch an online D2C brand to specifically target mattresses for the online distribution channel, launching our Sleepyhead brand in 2017. Taken together, our vertically integrated manufacturing operations and diversified omni-channel distribution network provide us with a significant competitive advantage.

We have developed a 'house of brands' architecture in the sleep and comfort solutions space, with each brand catering to different customer segments, allowing us to capture the full spectrum of mattress customers in India:

- Our flagship brand, Duroflex, offers sleep and comfort solutions across a spectrum of price points encompassing varied customer requirements, and is aimed at more established and health-conscious customers from the economy to luxury segments of the mattress market;



- Our Sleepyhead brand is aimed at younger customers and provides a range of trendy and stylish mattresses and furniture in the mid to premium segments of the mattress market; and

- Our Perfect Rest brand serves value conscious consumers (primarily from Tier 2+ regions in India) in the economy to mid-premium segments of the mattress market with high quality products.



Our business is diversified across both direct retail sales (of mattresses and furniture under our Duroflex, Sleepyhead and Perfect Rest brands) as well as branded foam, institutional (across various hospital, hospitality, education and government sectors) and OEM (white labeled mattresses for national and international brands) sales.

To broaden our customer base and grow revenue, we regularly refresh our portfolio of brands and sub-brands to reflect current consumer preferences. This includes introducing new products and expanding our product ranges to meet evolving market demands. We have India's largest range of mattress options as compared to our peers, according to the TKC Report. Our deep domain expertise in the manufacture of foam has enabled us to develop several innovative products. For example, in the recent past, we have launched technology based smart sleep solutions, including our remote-controlled, adjustable mattress Neuma, which comes with heat dissipation technology; and our Wave Plus adjustable bed which allows for head and foot tilt, massage modes, memory presets and wireless remote control. Backed by our in-house R&D and design capabilities, we aim to continue to introduce advanced and differentiated sleep solutions and as of June 30, 2025, our R&D team comprises 17 employees.

Our vertically integrated manufacturing operations and tech-embedded supply chain operations provide us with complete control across the value chain, allowing us to manufacture a diverse range of high-quality products in-house, including all of our mattresses and branded foam. We have continuously focused on identifying market gaps, addressing customer needs and introducing innovative products that distinguish us from our competitors.

The scale at which we manufacture our products, combined with our supply chain management, enables us to derive the benefits of economies of scale across various aspects of our business model. Further, we maintain appropriate inventory levels across our manufacturing facilities by implementing technology and utilising available market information. We also endeavor to maintain high quality standards and good manufacturing practices. Further, we have 19 warehouses (1 mother warehouse and 18 regional Depots) at various locations across India, which facilitates product availability across our distribution network. Our diversified omni-channel distribution network covers multiple online and offline touchpoints. Our distribution channels include COCO Stores, e-commerce, general trade, institutional and OEM sales and branded foam sales.

We follow a multi-pronged approach towards marketing, spanning celebrity collaborations, community engagement, social media influencers and marketing campaigns. Our marketing strategy follows a targeted approach for different products and customer categories. Further, several of our marketing initiatives and collaborations are content based, aimed at creating awareness on the importance of sleep, quality of mattresses and creating aspiration amongst customers for premium mattresses.

We are led by third-generation, entrepreneurial promoters, Jacob Joseph George, Mathew Chandy, Mathew George and Mathew Antony Joseph. Our Promoters' leadership and experience has enabled us to grow our product portfolio and develop brands, build a pan-India distribution network, maintain relationships with our distributors and retailers, and expand our manufacturing capabilities, in turn driving our growth in revenue from operations and profit margins. Our Promoters are supported by a qualified management team and experienced board of directors. We are also supported by marquee investors, Lighthouse India Fund Lighthouse Trust, and Norwest. Their strategic guidance has helped us achieve our business goals.

SIGNIFICANT FACTORS AFFECTING OUR FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our results of operations and financial condition are affected by a number of important factors including:

Our diversified product portfolio and product mix

We offer a wide range of products, in mattresses, branded foam, furniture and accessories product categories. Over the last four decades, we have diversified our product range and brand portfolio across our product categories. As a result, we have a diverse range of products across the various product categories.

We also have a diversified product mix, which is attributable to our ability to offer products to our customers across various price points. A diverse product portfolio and product mix not only helps increase revenue from operations but also reduces dependence on any single product or product category. Further, in prior periods, while we have experienced a decline in revenues in certain product categories, these have been offset by increases in revenue in other product categories, leading to an increase in overall revenue from operations. For further details, see – “Results of Operations” on page 375 of this Draft Red Herring Prospectus. Our results of operations are also significantly influenced by our product mix as some products have higher, or more consistent, margins than other products.

The prices at which we sell products are periodically revised, keeping in mind various considerations, including changes in the cost of raw materials, manufacturing expenses, customisation and enhancements in product attributes, market trends and our competitive advantage.

The table below sets forth details of our revenues from the sale of mattress, branded foam, furniture, accessories and other operating revenues for the period/ years indicated:

Product Category	Three months period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ million)	Percentage of Revenue from operations	Amount (₹ million)	Percentage of Revenue from operations	Amount (₹ million)	Percentage of Revenue from operations	Amount (₹ million)	Percentage of Revenue from operations
Mattress	1,601.13	54.74%	5,830.68	51.41%	5,672.62	51.79%	5,873.29	55.54%
Branded foam	1,075.11	36.75%	4,465.31	39.37%	4,011.04	36.62%	3,563.14	33.69%
Furniture	151.95	5.19%	610.22	5.38%	760.00	6.94%	522.24	4.94%
Accessories	69.29	2.37%	338.58	2.99%	422.10	3.85%	463.03	4.38%
Other operating revenues*	27.71	0.95%	97.71	0.85%	87.20	0.80%	153.17	1.45%
Revenue from Operations	2,925.19	100.00%	11,342.50	100.00%	10,952.96	100.00%	10,574.87	100.00%

* Other operating revenues includes revenue from scrap sales, income from duty drawback and duty scripts and income from government grants.

Several factors could affect the sales of our products including our market reputation, ability to cater to changes in consumer preferences and continuously develop newer products, market competition, raw material costs, economic conditions and seasonality. We have continuously focused on identifying market gaps, addressing customer needs and introducing innovative products that distinguish us from our competitors. For further details, see “*Our Business – Competitive Strengths - Comprehensive product portfolio and customer centric product innovations*” on page 190.

Also, see “*Risk Factors – We derive a significant portion of our revenue from our mattress and branded foam product categories. Our revenue from the sale of mattress accounted for 54.74%, 51.41%, 51.79% and 55.54% of our revenue from operations in the three months period ended June 30, 2025 and Fiscals 2025, 2024 and 2023, respectively. Our revenue from the sale of branded foam accounted for 36.75%, 39.37%, 36.62% and 33.69% of our revenue from operations in the three months period ended June 30, 2025 and Fiscals 2025, 2024 and 2023, respectively. Any shifts in customer preferences, any disruption in the supply chain, or heightened competition could adversely affect our business, results of operations, financial condition and cash flows.*” on 33.

Availability of raw materials and cost of goods sold

A significant portion of our cost structure is attributed to the cost of goods sold. Our ability to remain competitive and profitable depends on our ability to source and maintain a stable and sufficient supply of raw materials at cost effective prices, both for our direct sales of branded foam and for the foam we incorporate into our mattress and furniture products. Our primary raw materials include chemicals (primarily petrochemicals), as well as natural wood and latex, processed wood, fabrics, glue and metal goods. Polyol and TDI are our major raw materials in the production of foam and incur the most significant cost to our business. The table below provides our cost of goods sold, as a percentage of our total expenses, for the relevant period/ years:

Particulars	Three months period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Cost of materials consumed (<i>in ₹ million</i>) (I)	1,623.02	6,144.15	5,698.14	5,351.33
Purchase of stock-in-trade (<i>in ₹ million</i>) (II)	84.83	334.46	394.95	537.97
Changes in inventories of finished goods, semi-finished goods and stock in trade (<i>in ₹ million</i>) (III)	(71.13)	(7.65)	37.77	161.01
Cost of goods sold (<i>in ₹ million</i>) (I + II + III)	1,636.72	6,470.96	6,130.86	6050.31
Total expenses	2,890.85	11,037.70	10,968.95	10,747.62
Cost of goods sold as a percentage of total expenses (%)	56.62%	58.63%	55.89%	56.29%

We typically procure raw materials through purchase orders and do not enter into any long-term agreements with our suppliers. While we endeavour to pass on all raw material price increases to customers, in the event that we are unable to compensate for or pass on our increased costs to end-consumers, such price increases could have an adverse impact on our results of operations, financial condition and cash flows. Further, while we are not significantly dependent on any single raw material supplier, the supply and pricing of our raw materials can be volatile due to a number of factors beyond our control, including global demand and supply, general economic and political conditions, transportation, competition, import duties, tariffs and currency exchange rates. In particular, polyol and TDI are petrochemicals which are highly correlated to global oil prices. Any inability on our part to procure sufficient quantities of raw materials and on commercially acceptable terms, could lead to a change in our manufacturing and sales volumes.

Ability to maintain and grow our brand equity

We have followed a ‘house of brands’ strategy such that each brand and sub-brand has a differentiated value proposition that enables us to cater to customers with distinct needs and preferences. We sell our mattress and furniture products under the “Duroflex”, “Perfect Rest” and “Sleepyhead” brands and we sell our branded foam under the “Durofoam” brand. We benefit from strong customer affinity and brand recognition, which is reflected in our market position in the mattress segment (for details, see “*Our Business – Competitive Strengths - Strong brand equity, driven by a multi-pronged marketing approach*” on page 192).

We follow a multi-pronged approach towards marketing, spanning celebrity collaborations, community engagement, social media influencers and marketing campaigns. Our marketing strategy follows a targeted approach for different products and customer categories. We maintain a disciplined approach to our marketing spend, focusing on achieving significant brand visibility and customer engagement. This approach ensures that our marketing efforts are both efficient and sustainable, contributing to our overall financial health. The table below sets forth our advertisement and sales promotion expenses as a percentage of our revenue from operations for the period/ years indicated:

Particulars	Three months period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Advertisement and sales promotion expenses (<i>₹ million</i>)	160.56	730.11	850.14	758.81
Revenue from operations (<i>₹ million</i>)	2,925.19	11,342.50	10,952.96	10,574.87

Particulars	Three months period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Advertisement and sales promotion expenses as a percentage of Revenue from operations	5.49%	6.44%	7.76%	7.18%

We intend to enhance our brand salience and awareness through strategic initiatives. Through our R&D driven product innovations, content-based marketing, and celebrity and influencer driven campaigns, we aim to create thought leadership, health awareness on the importance of sleep, and customer aspiration for premium mattresses. For further details, see “*Our Business – Our Strategy – Further strengthen our brand equity through targeted marketing initiatives*” on page 198.

Our diversified, omni-channel distribution network

We have a comprehensive omnichannel distribution network covering our COCO stores, general trade stores, e-commerce channels, branded foam as well as institutional and OEM sales. Our COCO stores offer immersive product experiences, while general trade stores expand our reach through trade outlets throughout India. In e-commerce channels, we sell via our websites as well as in major marketplaces. Our general trade stores connect us with distributors and retailers across India, providing valuable market insights. Our strong marketing initiatives ensure that customers can discover our brand through various touchpoints such as search engines, social media, OTT platforms, marketplaces, and physical retail stores. The table below sets forth details of revenue from our channels for the period/years indicated:

Channels	Three months period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ million)	Percentage of Revenue from operations	Amount (₹ million)	Percentage of Revenue from operations	Amount (₹ million)	Percentage of Revenue from operations	Amount (₹ million)	Percentage of Revenue from operations
Modern retail channels* (A= A1 + A2)	800.25	27.36%	2,812.70	24.80%	3,267.18	29.83%	2,988.90	28.26%
COCO Stores (A1)	273.58	9.36%	886.84	7.82%	727.56	6.64%	576.96	5.45%
E-commerce Channels (A2)	526.67	18.00%	1,925.86	16.98%	2,539.62	23.19%	2,411.94	22.81%
Trade Stores** (B)	808.26	27.63%	3,275.58	28.88%	3,095.70	28.26%	3,401.45	32.17%
Branded foam, institutional and OEM channels*** (C)	1,316.68	45.01%	5,254.22	46.32%	4,590.08	41.91%	4,184.52	39.57%
Revenue from Operations (D) = (A + B + C)	2,925.19	100.00%	11,342.50	100.00%	10,952.96	100.00%	10,574.87	100.00%

* Modern retail channels include our websites, third party e-commerce platforms and COCO Stores.

** Trade Stores consist of our general trade channel, which includes sales to distributors, dealers and directly to trade stores.

*** Includes supplying to large institutions, hospitality players, and original equipment manufacturers (“OEMs”)

The continued growth in our revenue from operations through a well-balanced omnichannel network is a pivotal factor influencing our results of operations. If this growth continues, we anticipate higher revenues, a stronger market position, and improved customer insights.

Further, our strategy includes the opening of additional COCO stores in newer geographies and expanding COCO stores for both Duroflex and Sleepyhead and expanding our general trade stores and e-commerce channels. For further information, see “*Our Business - Our Strategy - Further expand each of our distribution channels, especially experience centres in a profitable manner*” and “*Objects of the Offer*” on page 198 and 116. An inability to appropriately identify suitable locations or set up the most appropriate store-format at a particular location, or to negotiate commercially reasonable lease terms, may increase our payback periods, result in store closures, and adversely affect our results of operations and financial condition. Further, as we expand our network of COCO stores, we anticipate an increase in rent expenses. If we are unable to generate adequate revenues from these new stores, the increased rent expenses could strain our financial results, potentially leading to lower profit margins or even losses. However, with our experience of setting up stores in various parts of India, we believe that we are well positioned to leverage on opportunities for expansion.

Our ability to improve manufacturing efficiency

Our ability to improve our manufacturing efficiency is important to improving our profit margins. We have implemented automation and integrated technology into our processes at key stages of design, manufacturing and distribution to increase efficiency and ensure quality in a cost-effective manner. To improve our manufacturing efficiency, we intend to continue improving our capacity utilisation and manage our operating costs through increased automation of certain manufacturing processes. We also intend to upgrade our existing machinery and purchase new machinery with modern technology to achieve better productivity and minimize our waste.

Our ability to compete effectively in the Indian home and furnishings market

The home and furnishings industry in India is competitive, fragmented and largely unorganized. For further information, see “*Risk Factors – The home and furnishings industry is competitive, fragmented and largely unorganized and our inability to compete effectively may adversely affect our business, results of operations, financial condition and cash flows*” on page 41. Our products compete with local retailers, non-branded products and products of other established brands. In the future, some of our competitors may develop alliances to compete against us, acquire greater resources, market presence and geographic reach, as well as develop products with better brand recognition than ours. Some of our competitors may be able to procure raw materials or finished products at lower costs than us and consequently be able to sell their products at lower prices. As a result, our competitors may be able to withstand industry downturns better than us or sell their products at more competitive prices.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies applied by us in the preparation of the Restated Consolidated Financial Information are listed below.

(i) Basis of Preparation

Statement of compliance and basis of preparation

Our Restated Consolidated Financial Information comprises the restated consolidated statement of assets and liabilities as on June 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, and the restated consolidated statement of cash flows for the three months period ended June 30, 2025 and for the years ended March 31, 2025, March 31, 2024, and March 31, 2023, the material accounting policies and other explanatory information and notes (collectively, the ‘**Restated Consolidated Financial Information**’).

The Restated Consolidated Financial Information have been prepared on a going concern basis. The accounting policies are applied consistently to all the period/years presented in the Restated Consolidated Financial Information. These Restated Consolidated Financial Information have been prepared by the management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”) issued by the Securities and Exchange Board of India (“**SEBI**”), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in the Draft Red Herring Prospectus (“**DRHP**”) in connection with proposed issue of our equity shares through an offer for sale of equity shares by the existing shareholders and a fresh issues of equity shares by way of an initial public offer. Accordingly, the Restated Consolidated Financial Information may not be suitable for any other purpose and should not be used, referred to or distributed for any other purpose.

These Restated Consolidated Financial Information have been prepared by us in terms of the requirements of:

- (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “**Act**”);
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended; and
- (c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“**ICAI**”) (the “**Guidance Note**”).

The Restated Consolidated Financial Information have been prepared to comply in all material respects with the Indian Accounting Standards (“**Ind AS**”) as specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III to the Act, as applicable to the consolidated financial statements and other relevant provisions of the Act.

Our Restated Consolidated Financial Information have been compiled from the following:

- a) Our Audited Special Purpose Consolidated Interim Financial Statements as at and for the three months period ended June 30, 2025 prepared in accordance with Indian Accounting Standard (Ind AS) 34 “Interim Financial Reporting” specified under Section 133 of the Act, as amended and other accounting principles generally accepted in India and

presentation requirements of Schedule III of the Companies Act, 2013, except for presenting corresponding financial information as required by Ind AS 34, which have been approved by the Board of Directors at their meeting held on October 11, 2025.

- b) Our Audited consolidated financial statements as at and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023, prepared in accordance with the Ind AS as specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India and presentation requirements of Schedule III to the Companies Act, 2013, which have been approved by the Board of Directors at their meetings held on September 22, 2025, September 13 2024 and November 24, 2023 respectively.

Our Restated Consolidated Financial Information:

- a) have been prepared after incorporating adjustments for the regrouping/reclassifications retrospectively in the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three months period ended June 30, 2025;
- b) does not contain any qualifications requiring adjustments; and
- c) have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.

The Restated Consolidated Financial Information was approved by the Board of Directors and authorised for issue on October 11, 2025.

Basis of measurement

The Restated Consolidated Financial Information are prepared in accordance with Ind AS under the historical cost (i.e. on accrual basis), except for the following which have been measured at fair value:

- Financial instruments classified as fair value through profit and loss
- defined benefit plans and
- share-based payments

Functional and presentation currency

The Restated Consolidated Financial Information are presented in Indian Rupees (Rs.), which is also our functional currency. All amount disclosed in the Restated Consolidated Financial Information and notes have been rounded off to nearest millions as per the requirement of Schedule III, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by us have been reflected as “0” in the relevant notes to these Restated Consolidated Financial Information.

Use of judgements, estimates and assumptions

The preparation of the Restated Consolidated Financial Information in conformity with Ind AS requires our management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosure of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. The following discussion provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Restated Consolidated Financial Information.

(a) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the Restated Consolidated Financial Information is included in the following notes:

- Note 6 - Lease term: whether we are reasonably certain to exercise extension options.

(b) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Note 3 and 7 - useful life of property, plant and equipment and intangible assets;
- Note 41 - measurement of share-based payments: Fair value of option at the grant date;
- Note 30 - provision for warranties;
- Note 39 - recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax loss carried forward can be utilized;
- Note 40 - measurement of ECL allowance for trade and finance receivables, loans and contract assets: key assumptions in determining the weighted-average loss rate;
- Note 40 - fair value measurement of financial instruments;
- Note 42 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 45 - measurement of defined benefit obligations: key actuarial assumptions;
- Note 28 - refund liabilities;
- Note 5 - investment property; and
- Note 7 - impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts, including the recoverability of development costs.

Current and non-current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, we have identified twelve months as our operating cycle for determining current and non-current classification of assets and liabilities in the Restated Consolidated Statement of Assets and Liabilities.

Measurement of fair values

Certain of our accounting policies and disclosures require the measurement of fair values, for both financial and non financial assets and liabilities.

We have an established control framework with respect to the measurement of fair values. We regularly review significant unobservable inputs and valuation adjustments. If third party information is used to measure the fair values, then we assess the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, we use observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into a different level of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

We recognize transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Earnings before finance costs, depreciation and amortisation expense and tax

As permitted by the Guidance Note on Division II - Ind AS Schedule III to the Companies Act 2013, we have elected to present earnings before finance costs, depreciation and amortisation expense and tax as a separate line item on the face of the Restated Consolidated Statement of profit and loss. We measure earnings before finance costs, depreciation and amortisation expense and tax on the basis of profit/(loss) from continuing operations. In its measurement, we do not include finance costs, depreciation and amortisation expense and income tax expenses.

(ii) Basis of consolidation

Business combinations (other than common control business combinations)

We account for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to us. In determining whether a particular set of activities and assets is a business, we assess whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The consideration transferred in the acquisition is generally measured at fair value as at the date the control is acquired (acquisition date), as are the identifiable net assets acquired. Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve through OCI.

Any gain on a bargain purchase is recognised in the OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, then gain on a bargain purchase is recognised directly in equity as capital reserve.

Transaction costs/ acquisition related costs are expensed as incurred and services are received, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in the restated consolidated statement of profit and loss.

If a business combination is achieved in stages, then the previously held equity interest in the acquiree is remeasured at its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit and loss or OCI, as appropriate.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in the restated consolidated statement of profit and loss.

Subsidiaries

Subsidiaries are entities controlled by us. We control an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The financial information of subsidiaries is included in the Restated Consolidated Financial Information from the date on which control commences until the date on which control ceases.

The Restated Consolidated Financial Information is prepared using uniform material accounting policies for like transactions and other events in similar circumstances. Items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries are combined like to like basis. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the Restated Consolidated Financial Information at the acquisition date.

Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets on the date of acquisition. Profit or loss and each component of the other comprehensive income (OCI) are attributed to the equity holders of the Parent and to the NCI. Changes in our interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When we lose control over a subsidiary, we derecognise the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Business combinations (common control business combinations)

Business combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where that control is not transitory are accounted for as per the pooling of interest method. The pooling of interest method is considered to involve the following:

The assets and liabilities of the combining entities are reflected in their carrying amounts.

No adjustments are made to reflect fair values or recognize any new assets or liabilities. The only adjustments that are made are to harmonies accounting policies.

The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. Alternatively, it is transferred to General Reserve, if any.

The identity of the reserves is preserved and appears in the financial information of the transferee in the same form in which they appeared in the financial information of the transferor.

The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

(iii) Revenue recognition

We recognize revenue when the control of products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The performance obligations in the contracts are fulfilled based on various customer terms including at the delivery of products, dispatch or upon customer acceptance based on various distribution channels. We have generally concluded that it is the principal in its revenue arrangements, because it typically controls the products or services before transferring them to the customer.

a. Revenue from sale of products

Revenue from the sale of products is recognised at a point in time when control of the product being sold is transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data. In these circumstances, a refund liability and a right to recover returned goods asset are recognised.

b. Assets and liabilities arising from right to return

We have contracts with customers which entitles them to the unconditional right to return.

Right to return assets

A right of return gives an entity a contractual right to recover the products from a customer (right to return asset), if the customer exercises its option to return the products and obtain a refund. The asset is measured at the carrying amount of the inventory, less any expected costs to recover the products, including any potential decreases in the value of the returned products.

Refund Liabilities

A refund liability is the obligation to refund part, or all of the consideration received (or receivable) from the customer. We therefore recognize refund liabilities in respect of the customer's right to return. The liability is measured at the amount we

ultimately expect it will have to return to the customer. We update its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

We have presented its right to return assets and refund liabilities under "Inventory" and "other current financial liabilities", respectively.

c. Contract balances

Trade receivables

A trade receivable is recognized if an amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets for initial recognition and subsequent measurement of financial assets.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer, where that right is conditioned on something other than the passage of time. If we perform by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional. Contract assets are subject to impairment assessment.

Contract liabilities

A contract liability is recognized if a payment is received, or a payment is due (whichever is earlier) from the customer before we transfer the related goods or services. Contract liabilities are recognized as revenue when we perform under the contract (i.e., transfers control of the related goods or services to the customer).

d. Other Operating income:

Revenue from sale of scrap in the course of ordinary activities is measured at the transaction price.

Income from duty drawbacks are recognized in the statement of profit and loss account when the right to receive credit as per the terms of the entitlement is established in respect of exports made and disclosed as other operating revenues.

We initially recognise the government grants related to assets as deferred income at fair value if there is a reasonable assurance that they will be received, and we will comply with the conditions associated with the grant. Grants related to the acquisition of assets are recognised in the Restated Consolidated Statement of Profit and Loss as other income on a systematic basis over the useful life of the asset.

(iv) Other Income

Interest Income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the Restated Consolidated Statement of Profit or Loss.

(v) Property, plant, and equipment

a. Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to us and the cost of the item can be measured reliably.

Items of property, plant and equipment (including capital-work-in progress) are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses. Freehold land is carried at a historical cost less any accumulated impairment losses.

The cost of property, plant and equipment comprises its purchase price/acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Machine spare parts are recognized in

accordance with this Ind AS when they meet the definition of property, plant and equipment, otherwise, such items are classified as inventory.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Restated Consolidated Statement of Profit or Loss.

b. Transition to Ind AS

The cost of property, plant and equipment on 1 April 2021, our date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

c. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to us and the cost of the item can be measured reliably. All other expenses on existing property, plant, and equipment, including day-to-day repair and maintenance expenditure are charged to the Restated Consolidated Statement of Profit or Loss for the period during which such expenses are incurred.

d. Capital advances and Capital work in progress

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under other non-current assets. The costs of property, plant, and equipment, which are not ready for their intended use on such date, are disclosed as capital work in progress. The capital work-in-progress is carried at cost, comprising direct cost, related incidental expenses, and attributable interest. No depreciation is charged on the capital work in progress until the asset is ready for the intended use.

e. Depreciation

Depreciation on property, plant and equipment is provided on the straight-line method (SLM) over the useful lives of assets estimated by our management. Freehold land is not depreciated. Based on an internal technical evaluation, our management believes that useful life as given below, which are different from those prescribed in Part C of schedule II of the Act, best represents the period over which our management expects to use these assets.

Depreciation on property, plant and equipment acquired/ disposed off during the year is recorded on a pro-rata basis with reference to the month of acquisition/ disposal.

Asset category	Management estimate of useful life (in years)	Useful life as per Schedule II (in years)
Office Equipments	3 to 5	5
Computers & its peripherals	3 to 6	3 to 6
Building	3 to 30	30
Vehicles	8	8
Electrical Equipment	2 to 10	15
Furniture and fixtures	3 to 10	10
Leasehold improvement	2 to 4	As per tenure of the lease
Plant and Machinery	2 to 15	15

The residual value, useful lives and the method of depreciation of property, plant and equipment's are reviewed at each reporting period end and adjusted prospectively if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(vi) Goodwill, Intangible assets under development and other intangible assets

Goodwill

Goodwill arising of business combination is initially measured at cost, being the excess of the aggregate of the fair value of consideration transferred and the net fair value of identifiable assets acquired, and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of our cash-generating units

that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment at each reporting period as presented, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in the Restated Consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Other Intangible assets

Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is recognised at fair value at the date of acquisition. An intangible asset is recognised only if it is probable that future economic benefits attributable to the asset will flow to us and the cost of the asset can be measured reliably. Following initial recognition, other intangible assets, including those acquired by us in a business combination and have finite useful lives measured at cost less accumulated amortisation and any accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Any gain or loss on disposal of an intangible asset is recognised in the Restated Consolidated Statement of Profit and Loss.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised as depreciation and amortisation expense in Restated Consolidated Statement of Profit and Loss. Goodwill is not amortised. The estimated useful lives are as follows

Asset category	Useful life of the asset (In years)
Computer Software	4 to 6
Website	4

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Intangible assets under development

Development expenditure is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and we have and intend to have sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in Restated Consolidated Statement of Profit and Loss as incurred.

(vii) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment losses, if any. An investment property is derecognized upon disposal or when there is a change in use or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Restated Consolidated Statement of Profit and Loss in the period in which the property is derecognized.

The investment property includes land and buildings held by us. Depreciation on building is provided over its useful life using the straight-line method (SLM), in a manner similar to PPE and no depreciation on the land is recorded in the Restated Consolidated Statement of Profit and Loss.

Asset category	Useful life of the asset (In years)
Building	30

The fair values of the investment property are disclosed in the notes. Fair values are determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

(viii) Impairment

Non- financial assets

At each reporting date, we review the carrying amounts of our non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Intangible assets under development and Goodwill are tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an individual asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in the Restated Consolidated Statement of Profit and Loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, we review at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial Assets

In accordance with Ind AS 109, we apply expected credit loss (ECL) model for measurement and recognition of impairment loss. We follow a 'simplified approach' for recognition of impairment loss allowance on trade receivables.

As a practical expedient, we use a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At regular intervals, the historically observed default rates are updated and changes in forward-looking estimates are analysed. We also assess at each reporting date whether there is evidence of impairment for individual trade receivables.

The application of simplified approach does not require us to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, we determine whether there has been a material increase in the credit risk since initial recognition. If credit risk has not increased materially, twelve-month ECL is used to provide for impairment loss. However, if credit risk has increased materially, lifetime ECL is used. If in subsequent period, the credit quality of the instrument improves such that there is no longer a material increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on twelve-month ECL.

ECL is the difference between all contractual cash flows that are due to us in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original effective interest rate.

We recognise loss allowances for expected credit losses on financial assets recorded amortised cost. At each reporting date we assess whether financial assets carried at amortised cost are credit impaired. A financial asset is "credit-impaired" when one or more events have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract;
- the restructuring of a loan or advance by us on terms that we would not consider otherwise; and

- it is probable that the debtor will enter bankruptcy or other financial reorganisation.

We measure loss allowances at an amount of lifetime expected credit losses, except for the following, which are measured as twelve month expected credit losses: -

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instruments) has not increased materially since initial recognition.

We consider a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to us in full, without recourse by us to actions such as realising security (if any is held).

The gross carrying amount of a financial asset is written off when we have no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. However, financial assets that are written off could still be subject to enforcement activities in order to comply with our procedures for recovery of amounts due.

Presentation of allowance for ECL in the Restated Consolidated Statement of Assets and Liabilities

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of assets.

(ix) Employee benefits

Short term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits and are measured on an undiscounted basis. These benefits include salaries and wages, bonus etc., which are to be paid in exchange for the employee services and are recognised as an expense in the Restated Consolidated Statement of Profit and Loss in the period in which the employee renders the related service.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. We make specified monthly contributions towards the government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in Restated Consolidated Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Provident fund

Contribution towards provident fund for certain employees is made to the regulatory authorities, where we have no further obligations. Such benefits are classified as Defined Contribution Schemes as we do not carry any further obligations, apart from the contributions made on a monthly basis.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Our net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for us, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. We determine the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. This rate is applied on the net defined benefit liability (asset), both as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest

expenses and other expenses related to defined benefit plans are recognised in the Restated Consolidated Statement of Profit and Loss.

Other long-term employee benefits - compensated absences

Our employees are entitled to accrue certain compensated absences in a calendar year. Our net obligation in respect of accumulating compensated absences is the amount of future benefit that employees have accumulated at the end of the year. The obligation is measured annually by a qualified actuary using the projected unit credit method. Remeasurements are recognized in Restated Consolidated Statement of Profit and Loss in the period in which they arise.

The obligations are presented as current liabilities in the Restated Consolidated Statement of Assets and Liabilities as we do not have an unconditional right to defer the settlement.

Share-based payments

Our employees receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). We measure compensation cost relating to employee stock options plans using the fair valuation method in accordance with Ind AS 102 "Share-Based Payment".

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using the Black Scholes model and the cost is recognized, together with a corresponding increase in share-based payment reserve in equity, over the period in which the performance and/or service conditions are fulfilled in a graded vesting manner. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and our best estimate of the number of equity instruments that will ultimately vest.

In case of cancellation or settlement of grant of equity instruments during the vesting period (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied), we shall account for the cancellation or settlement as an acceleration of vesting and shall therefore recognise immediately the amount that otherwise would have been recognised for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation or settlement of the grant shall be accounted for as the repurchase of an equity interest, i.e., as a deduction from equity, except to the extent that the payment exceeds the fair value of the equity instruments granted, measured at the repurchase date. Any such excess shall be recognised as an expense in the Restated Consolidated Statement of Profit and Loss.

(x) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Instruments - Financial Assets

a. Recognition and initial measurement

Trade receivables are initially recognized when they originate. All other financial assets are initially recognized when it becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus or minus, for an item not at Fair value through profit and loss account ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

b. Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI") – equity investment; or
- FVOCI– debt investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless we change the business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

- A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as FVTPL:
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

On initial recognition of an equity investment that is not held for trading, we may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI- equity investment). This election is made on an investment-to-investment basis.

All financial assets not classified as amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, we may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial Assets: Business model assessment

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessments whether contractual cash flows are solely payments of principal and interest.

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during the particular period of time and for the other basic lending risks and costs.

In assessing whether the contractual cash flows are solely payments of principal and interest, we consider the contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, we consider:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit our claim to cash flows from specified assets.

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

c. Subsequent measurement

Financial assets at FVTPL - Subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the Restated Consolidated Statement of Profit and Loss.

Financial assets at amortized cost - Subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the Restated Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is recognized in the Restated Consolidated Statement of Profit and Loss.

Debt instruments at FVOCI - Subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in the Restated Consolidated Statement of Profit and Loss. Other net gains and losses are recognized in Other Comprehensive Income. On derecognition, gains and losses accumulated in Other Comprehensive Income are reclassified to the Restated Consolidated Statement of Profit and Loss.

Equity instruments at FVOCI - Subsequently measured at fair value. Dividends are recognized as income in the Restated Consolidated Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in Other Comprehensive Income and are not reclassified to the Restated Consolidated Statement of Profit and Loss.

d. Derecognition

We derecognise a financial asset when:

- the contractual rights to the cash flows from the financial asset expiration; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - o substantially all the risks and rewards of ownership of the financial asset are transferred; or
 - o we neither transfer nor retain substantially all of the risks and rewards of ownership and do not retain control of the financial asset.

We enter into transactions whereby we transfer assets recognised on our Restated Consolidated Statement of Assets and Liabilities but retain either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial Instruments - Financial Liabilities

a. Recognition and initial measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortized cost. All financial liabilities are initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its issue.

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. Our financial liabilities include trade and other payables, lease liabilities, refund liabilities and borrowings.

b. Subsequent measurement

Financial liabilities at amortized cost: After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains or losses are recognized in the Restated Consolidated Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Restated Consolidated Statement of Profit and Loss.

Financial liabilities at fair value through profit or loss: These include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as being held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the Restated Consolidated Statement of Profit and Loss.

c. Derecognition

We derecognise a financial liability when its contractual obligations are discharged or cancelled or expire. We also derecognise financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the Restated Consolidated Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the Restated Consolidated Statement of Assets and Liabilities when, and only when, we currently have a legally enforceable right to set off the amounts and we intend either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Recognition of Interest income or expense

Interest income or expense is recognised using the effective interest rate.

The ‘effective interest rate’ is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

(xi) Leases

As a Lessee

At inception of a contract, we assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess where we have the right to control the use of identified assets, we assess whether the:

- the contract involves the use of identified assets,
- whether we have the right to obtain substantially all the economic benefits from the use of assets throughout the period of use and
- whether we have the right to direct the use of assets.

a. Right-of-use

We recognize right-of-use assets at the commencement date of the lease i.e. the date the underlying asset is available for use. Right-of-use assets are measured at cost less accumulated depreciation. The cost of Right-of-use assets includes the amount of lease liabilities recognized, initial cost incurred, and lease payments made at or before the commencement date. The Right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term basis over a lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

b. Lease liabilities

At the commencement date of the lease, we recognize lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments and less any lease incentives receivable, including amounts expected to be payable by us under the residual value guarantee. In calculating the present value of lease payments, we use its incremental borrowing rate at the lease commencement date. We determine its incremental borrowing rate by obtaining interest rates from various external financing sources and making certain adjustments to reflect the terms of the lease and type of asset leased. The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in our estimate of the amount expected to be payable under a residual value guarantee. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in Restated Consolidated Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero.

c. Short-term leases

We have elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less from the commencement date and leases of low-value assets. We recognise the lease payments associated with these leases as an expense over the lease term.

As a Lessor

When we act as a lessor, we determine at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, we make an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As

part of this assessment, we consider certain indicators such as whether the lease is for a major part of the economic life of the asset.

When we are an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. We assess the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which we apply the exemption described above, then it classifies the sub-lease as an operating lease.

When as an intermediate lessor we enter into an intermediate finance lease, we derecognise the right-of-use asset under the head lease which we transfer to the sub lessee, recognise the net investment in the sublease as an asset, recognise the difference between the right-of-use asset and the net investment as a gain or loss and continue to recognise the lease liability, i.e., the lease payments owed to the head lessor, for the head lease. Over the sublease term, the intermediate lessor recognises the interest income from the sublease and the interest expense for the head lease.

(xii) Borrowing costs

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expense in the year in which they are incurred.

(xiii) Share issue expenses

Incremental costs directly attributable to the issue of shares are adjusted with the securities premium.

(xiv) Inventories

Inventories are valued at the lower of cost (including cost of raw materials and components, non-refundable taxes and other overheads incurred in bringing the inventories to their present location and condition) and estimated net realizable value after providing for obsolescence, where appropriate. The comparison of cost and net realizable value is made on an item-by-item basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Net realizable value of semi-finished goods is determined with reference to the selling prices of related finished goods. Raw materials, packing materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished goods will exceed their net realizable value.

Cost of raw materials and packing materials are determined on a weighted average basis. Stores and spares are determined on a First in First Out basis. Semi-finished goods are determined at material cost and an appropriate share of production overheads. Finished goods are determined at material cost and an appropriate share of production overheads. Stock in trade are determined at purchase cost. Obsolete, slow moving and defective inventories are identified at the time of periodic physical verification of inventories and where necessary, a markdown is made for such inventories.

(xv) Income Tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

We have determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and are therefore accounted for by us under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

a. Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

b. Deferred Tax

Deferred tax is recognized on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction and does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

MAT payable for a year is charged to the Restated Consolidated Statement of Profit and Loss as current tax. We recognize MAT credit available as an asset only to the extent that there is convincing evidence that we will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which we recognize MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Restated Consolidated Statement of Profit and Loss and shown as 'MAT Credit Entitlement' under Deferred Tax. We review the same at each reporting date and write down the asset to the extent we do not have convincing evidence that we will pay normal tax during the specified period.

(xvi) Provisions, contingent liabilities and contingent assets(continued)

Provisions (other than employee benefits)

Provisions are recognised when we have a present obligation (legal or constructive) because of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Expected future operating losses are not provided for.

Provisions for onerous contracts, i.e., contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligatory event, based on a reliable estimate of such an obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Where we expect some or all the expenditure required to settle a provision to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if we settle the obligation. The reimbursement is treated as a separate asset.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond our control or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. Contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The contingent liability is not recognized in the books of accounts, but its existence is disclosed in the Restated Consolidated Financial Information.

Contingent assets

Contingent assets are not recognised in Restated Consolidated Financial Information since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities, and contingent assets are reviewed at each reporting date.

(xvii) Warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise, being typically between 3 to 8 years.

(xviii) Earnings per share

Basic earnings per share

The basic earnings per share are computed by dividing the net profit/(loss) attributable to our owners for the year by the weighted average number of equity shares outstanding during the period/year.

Diluted earnings per share

Diluted earnings per share are computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included.

(xix) Foreign currency translations

Transactions in foreign currencies are initially recorded by our respective entities at their respective functional currency spot rates; at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised as income or expenses in the period in which they arise. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(xx) Operating Segment

Based on the guiding principles given in Ind AS 108 on ‘Operating Segments’, our business activity falls within one operating segment. Our Board of Directors monitor the operating results as a whole for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the Restated Consolidated Financial Statements, thus the disclosures requirements under Ind AS 108 – “Segment Reporting” are not applicable.

(xxi) Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value.

(xxii) Statement of cash flows

Cash flows are reported using the indirect method as set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows, whereby profit/(loss) for the period/year is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing, and financing activities are segregated

(xxiii) Recent accounting pronouncements

The Ministry of Corporate Affairs (“MCA”) amended the Companies (Indian Accounting Standards) Rules, 2015 through notifications dated:

- a. 7 May 2025, introducing changes to Ind AS 21 – The Effects of Changes in Foreign Exchange Rates, effective from 1 April 2025. These amendments provide guidance on assessing whether a currency is exchangeable into another currency and on estimating the spot exchange rate when a currency is not exchangeable. We have considered this amendment and believe that there is no material impact on the Restated Consolidated Financial Information.

- b. 13 August 2025, introducing changes to various Ind AS including Ind AS 1, Ind AS 7, Ind AS 12. These amendments are applicable for annual reporting periods beginning on or after 1 April 2025, with certain provisions effective from 1 April 2026. We are in the process of evaluating the impact of these amendments on the Restated Consolidated Financial Information.

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Total Income

Total Income comprises revenue from operations and other income.

Revenue from operations

Revenue from operations comprises (i) sales of products: (a) mattress; (b) branded foam; (c) furniture; and (d) accessories; and (ii) other operating revenues from (a) scrap sales; (b) income from duty drawback and duty scripts; and (c) income from government grants.

Other income

Other income includes (i) interest income under the effective interest method on financial assets carried at amortised cost on: (a) fixed deposits; and (b) security deposits; (ii) rental income from operating leases; (iii) rental income from investment property; (iv) rent concession; (v) gain on termination of lease; (vi) profit on sale of property, plant and equipment (net); (vii) liabilities or provisions no longer required written back; (viii) foreign exchange gain, net; and (ix) miscellaneous income.

Total Expenses

Total expenses comprise (i) cost of materials consumed; (ii) purchase of stock-in-trade; (iii) changes in inventories of finished goods, semi-finished goods and stock in trade; (iv) employee benefits expense; (v) finance costs; (vi) depreciation and amortisation expense; and (vii) other expenses.

Cost of materials consumed

The cost of materials consumed consists of costs for raw materials such as chemicals, wood, fabric, metal and packaging materials.

Purchase of stock-in-trade

Purchase of stock-in-trade consist of purchases of décor items such as cushions, bedsheets, rugs, mats and certain furniture items.

Changes in inventories of finished goods, semi-finished goods and stock in trade

Changes in inventories of finished goods, semi-finished goods and stock in trade denotes inventories of finished goods, semi-finished goods and stock-in-trade between beginning and end dates of a reporting period/year.

Employee benefits expense

Employee benefits expenses comprise (i) salaries, wages and bonus; (ii) contribution to provident and other fund; (iii) share based payments expense; (iv) gratuity expense; and (v) staff welfare expenses.

Finance costs

Finance costs primarily comprise (a) interest expense on financial liabilities measured at amortized cost of (i) borrowings from banks; (ii) lease liabilities; and (iii) deposits from customers; (b) other borrowing costs; and (c) interest on income tax.

Depreciation and amortisation expense

Depreciation and amortisation expense include (i) depreciation of property, plant and equipment; (ii) depreciation of investment property; (iii) depreciation of right-of-use assets; and (iv) amortisation of intangible assets.

Other expenses

Other expenses primarily include (i) contract labour expenses; (ii) freight charges; (iii) rent; (iv) selling and distribution expenses; (v) power and fuel; (vi) advertisement and sales promotion expenses; and (vii) legal and professional fees.

RESULTS OF OPERATIONS

The following table sets forth certain information with respect to our results of operations for the three months period ended June 30, 2025, and Fiscals 2025, 2024 and 2023:

Particulars	Three months period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ millions)	Percentage of Total Income	Amount (₹ millions)	Percentage of Total Income	Amount (₹ millions)	Percentage of Total Income	Amount (₹ millions)	Percentage of Total Income
Income								
Revenue from operations	2,925.19	98.51%	11,342.50	98.38%	10,952.96	99.00%	10,574.87	98.81%
Other income	44.29	1.49%	186.99	1.62%	110.99	1.00%	127.83	1.19%
Total income (A)	2,969.48	100.00%	11,529.49	100.00%	11,063.95	100.00%	10,702.70	100.00%
Expenses								
Cost of materials consumed	1,623.02	54.66%	6,144.15	53.29%	5,698.14	51.50%	5,351.33	50.00%
Purchase of stock-in-trade	84.83	2.86%	334.46	2.90%	394.95	3.57%	537.97	5.03%
Changes in inventories of finished goods, semi-finished goods and stock in trade	(71.13)	(2.40%)	(7.65)	(0.07%)	37.77	0.34%	161.01	1.50%
Employee benefits expense	288.10	9.70%	966.91	8.39%	986.65	8.92%	969.40	9.06%
Other expenses	832.98	28.05%	3,111.83	26.99%	3,319.06	30.00%	3,114.47	29.10%
Expenses before finance costs and depreciation and amortisation expense (B)	2,757.80	92.87%	10,549.70	91.50%	10,436.57	94.33%	10,134.18	94.69%
Earnings before finance costs and depreciation and amortisation expense and tax (A-B)	211.68	7.13%	979.79	8.50%	627.38	5.67%	568.52	5.31%
Finance costs (C)	29.55	1.00%	69.93	0.61%	97.36	0.88%	167.90	1.57%
Depreciation and amortisation expense (D)	103.50	3.48%	418.07	3.62%	435.02	3.93%	445.54	4.16%
Total expenses (E) = (B+C+D)	2,890.85	97.35%	11,037.70	95.73%	10,968.95	99.14%	10,747.62	100.42%
Profit / (Loss) before tax (F) = (A-E)	78.63	2.65%	491.79	4.27%	95.00	0.86%	(44.92)	(0.42%)
Tax expense								
Current tax	34.69	1.17%	64.04	0.56%	5.14	0.05%	155.39	1.45%
Deferred tax	(12.45)	(0.42%)	(43.88)	(0.38%)	(22.14)	(0.20%)	(45.57)	(0.42%)
Total tax expense (G)	22.24	0.75%	20.16	0.18%	(17.00)	(0.15%)	109.82	1.03%
Profit/ (Loss) for the period/year (H) = (F-G)	56.39	1.90%	471.63	4.09%	112.00	1.01%	(154.74)	(1.45%)

THREE MONTHS PERIOD ENDED JUNE 30, 2025

Total Income

Total Income was ₹ 2,969.48 million for the three months period ended June 30, 2025.

Revenue from operations

Revenue from operations was ₹ 2,925.19 million for the three months period ended June 30, 2025, primarily due to sale of products of ₹ 2,897.48 million and other operating revenues of ₹ 27.71 million. The table below sets forth details of our revenues from the sale of mattress, branded foam, furniture, accessories and other operating revenues for the period indicated:

Product Category	Three-month period ended June 30, 2025	
	Amount (₹ millions)	As a percentage of revenue from operations
Mattress	1,601.13	54.74%
Branded foam	1,075.11	36.75%
Furniture	151.95	5.19%
Accessories	69.29	2.37%
Other operating revenues	27.71	0.95%
Revenue from operations	2,925.19	100.00%

Other income

Other income was ₹ 44.29 million in the three months period ended June 30, 2025, primarily due to interest income under the effective interest method on financial assets carried at amortised cost of ₹ 39.63 million and rental income from operating leases of ₹ 4.66 million.

Total Expenses

Total expenses were ₹ 2,890.85 million in the three months period ended June 30, 2025, which was primarily attributable to the cost of materials consumed amounting to ₹ 1,623.02 million, employee benefits expense of ₹ 288.10 million and other expenses of ₹ 832.98 million.

Cost of materials consumed

Cost of materials consumed was ₹ 1,623.02 million for the three months period ended June 30, 2025.

Purchase of stock-in-trade

Purchase of stock-in-trade were ₹ 84.83 million for the three months period ended June 30, 2025.

Changes in inventories of finished goods, semi-finished goods and stock in trade

Changes in inventories of finished goods, semi-finished goods and stock in trade was ₹ (71.13) million for the three months period ended June 30, 2025.

Employee benefits expense

Employee benefits expense was ₹ 288.10 million for the three months period ended June 30, 2025, primarily due to salaries, wages and bonus of ₹ 252.33 million.

Finance costs

Finance costs were ₹ 29.55 million for the three months period ended June 30, 2025, primarily due to interest on financial liabilities measured at amortized cost - lease liabilities of ₹ 23.04 million.

Depreciation and amortisation expense

Depreciation and amortisation expense was ₹ 103.50 million for the three months period ended June 30, 2025, primarily due to depreciation of property, plant and equipment of ₹ 56.35 million and depreciation of right-of-use assets of ₹ 45.07 million.

Other expenses

Our other expenses were ₹ 832.98 million for the three months period ended June 30, 2025, primarily due to freight charges of ₹ 202.55 million, advertisement and sales promotion expenses of ₹ 160.56 million, selling and distribution expenses of ₹ 130.43 million, contract labour expenses of ₹ 103.99 million and rent of ₹ 57.12 million.

Profit before tax

For the reasons discussed above, profit before tax was ₹ 78.63 million for the three months period ended June 30, 2025.

Tax expense

Our tax expense was ₹ 22.24 million for the three months period ended June 30, 2025.

Profit for the period

As a result of the foregoing, the amount of profit for the three months period ended June 30, 2025 is ₹ 56.39 million.

FISCAL 2025 COMPARED TO FISCAL 2024

Total Income

Total Income increased by 4.21% from ₹ 11,063.95 million in Fiscal 2024 to ₹ 11,529.49 million in Fiscal 2025.

This was primarily attributable to an increase in revenue from operations and other income.

Revenue from operations

Revenue from operations increased by 3.56% from ₹ 10,952.96 million in Fiscal 2024 to ₹ 11,342.50 million in Fiscal 2025, primarily due to an increase in sales of products from ₹ 10,865.76 million in Fiscal 2024 to ₹ 11,244.79 million in Fiscal 2025. In Fiscal 2025, we further scaled back our e-commerce strategy as compared to Fiscal 2024 and saw revenue growth driven by cost correction and increased contributions from trade stores, COCO stores, OEM and institutional channels. The table below sets forth details of our revenues from the sale of mattress, branded foam, furniture, accessories and other operating revenues for the years indicated:

Product Category	Fiscal 2025		Fiscal 2024	
	Amount (₹ millions)	As a percentage of revenue from operations	Amount (₹ millions)	As a percentage of revenue from operations
Mattress	5,830.68	51.41%	5,672.62	51.79%
Branded foam	4,465.31	39.37%	4,011.04	36.62%
Furniture	610.22	5.38%	760.00	6.94%
Accessories	338.58	2.99%	422.10	3.85%
Other operating revenues	97.71	0.85%	87.20	0.80%
Revenue from operations	11,342.50	100.00%	10,952.96	100.00%

The increase in our revenue from operations was primarily due to an increase in the sales of our mattress and branded foam products, offset by a decline in revenue from our furniture and accessories products. The following drivers contributed to an increase in revenue:

- The revenue from the sale of mattress increased due to an increase in sales volumes in Fiscal 2025 compared to Fiscal 2024.
- The increase in our revenue from the sale of branded foam was primarily due to the continued expansion of our manufacturing and distribution operations beyond South India, and higher production volumes, despite a decline in average selling prices.
- Further, we also changed our distribution strategy and strategically reduced sales through e-commerce channels and increased sales through COCO stores and general trade stores, which resulted in higher sales volumes.

Other income

Other income increased from ₹ 110.99 million in Fiscal 2024 to ₹ 186.99 million in Fiscal 2025, primarily due to an increase in interest income under the effective interest method on financial assets carried at amortised cost from ₹ 88.74 million in Fiscal 2024 to ₹ 118.86 million in Fiscal 2025 on account of higher average fixed deposits balances during Fiscal 2025, an increase in miscellaneous income from ₹ 1.18 million in Fiscal 2024 to ₹ 28.14 million in Fiscal 2025, and an increase in rental income from operating leases from ₹ 13.04 million in Fiscal 2024 to ₹ 20.50 million in Fiscal 2025 due to increase in rentals due to sub-letting unused office spaces, and liabilities or provisions no longer required written back from nil in Fiscal 2024 to ₹ 11.73 million in Fiscal 2025.

Total Expenses

Total expenses increased by 0.63% from ₹ 10,968.95 million in Fiscal 2024 to ₹ 11,037.70 million in Fiscal 2025, primarily due to an increase in the cost of materials consumed offset by a decrease in employee benefits expense, other expenses, finance costs and depreciation and amortisation expense.

Cost of materials consumed

Cost of materials consumed increased by 7.83% from ₹ 5,698.14 million in Fiscal 2024 to ₹ 6,144.15 million in Fiscal 2025, primarily due to an increase in consumption on account of an increase in the volume of foam produced, which was partially offset by a decrease in the price of raw materials.

Purchase of stock-in-trade

Purchase of stock-in-trade decreased by 15.32% from ₹ 394.95 million in Fiscal 2024 to ₹ 334.46 million in Fiscal 2025, consistent with a decline in furniture and accessories revenue.

Changes in inventories of finished goods, semi-finished goods and stock in trade

The change in inventories of finished goods, semi-finished goods and stock in trade was ₹ 37.77 million in Fiscal 2024 compared to ₹ (7.65) million in Fiscal 2025, primarily due to increasing inventory levels as at March 31, 2025, in line with increased revenues in Fiscal 2025.

Employee benefits expense

Employee benefits expense decreased by 2.00% from ₹ 986.65 million in Fiscal 2024 to ₹ 966.91 million in Fiscal 2025, primarily due to a decline in staff welfare expenses from ₹ 75.61 million in Fiscal 2024 to ₹ 52.31 million in Fiscal 2025, as we spent more on employee related events in Fiscal 2024, primarily an event to commemorate our foundation (which is a non-recurring event) and a decrease in share-based payment expense from ₹ 15.38 million in Fiscal 2024 to ₹ 7.20 million in Fiscal 2025, because certain vesting conditions of stock options were not met. These decreases were partially offset by an increase in salaries, wages and bonus from ₹ 839.69 million in Fiscal 2024 to ₹ 850.30 million in Fiscal 2025, primarily driven by hiring at senior management levels.

Finance costs

Finance costs decreased by 28.17% from ₹ 97.36 million in Fiscal 2024 to ₹ 69.93 million in Fiscal 2025, primarily due to a decrease in interest expense on financial liabilities measured at amortized cost on - (i) borrowings from banks from ₹ 42.40 million in Fiscal 2024 to ₹ 18.44 million in Fiscal 2025, primarily due to lower average balances of long-term borrowings on account of repayment such borrowings as per their repayment schedules; (ii) lease liabilities from ₹ 41.76 million in Fiscal 2024 to ₹ 39.60 million in Fiscal 2025 as we are approaching the expiry of the lock-in period on various leases leading to a lower recognition of interest expense on lease liabilities; and (iii) other borrowing costs from ₹ 5.00 million in Fiscal 2024 to ₹ 2.79 million in Fiscal 2025. These were partially offset by an increase in interest expense on financial liabilities measured at amortized cost on deposits from customers from ₹ 8.20 million in Fiscal 2024 to ₹ 9.10 million in Fiscal 2025.

Depreciation and amortisation expense

Depreciation and amortisation expense decreased by 3.90% from ₹ 435.02 million in Fiscal 2024 to ₹ 418.07 million in Fiscal 2025, primarily due to a decline in amortisation of intangible assets from ₹ 32.72 million in Fiscal 2024 to ₹ 14.78 million in Fiscal 2025. This was partially offset by a marginal increase in depreciation on property, plant and equipment from ₹ 237.46 million in Fiscal 2024 to ₹ 239.18 million in Fiscal 2025, while depreciation on right-of-use assets remained stable at ₹ 163.61 million in Fiscal 2025 compared to ₹ 164.34 million in Fiscal 2024.

Other expenses

Our other expenses decreased by 6.24% from ₹ 3,319.06 million in Fiscal 2024 to ₹ 3,111.83 million in Fiscal 2025, primarily due to a decrease in:

- (i) advertisement and sales promotion expenses from ₹ 850.14 million in Fiscal 2024 to ₹ 730.11 million in Fiscal 2025, primarily due to lower advertisement and sales promotion expenditure on our e-commerce channels;
- (ii) selling and distribution expenses from ₹ 624.94 million in Fiscal 2024 to ₹ 508.96 million in Fiscal 2025;
- (iii) information technology expenses from ₹ 75.54 million in Fiscal 2024 to ₹ 53.32 million in Fiscal 2025;
- (iv) legal and professional fees from ₹ 114.68 million in Fiscal 2024 to ₹ 99.48 million in Fiscal 2025; and
- (v) insurance from ₹ 20.43 million in Fiscal 2024 to ₹ 14.38 million in Fiscal 2025.

These decreases were partially offset by an increase in:

- (i) contract labour expenses from ₹ 312.18 million in Fiscal 2024 to ₹ 352.55 million in Fiscal 2025;

- (ii) rent from ₹ 122.21 million in Fiscal 2024 to ₹ 152.67 million in Fiscal 2025; and
- (iii) allowance for doubtful advances from ₹ 1.10 million in Fiscal 2024 to ₹ 6.82 million in Fiscal 2025.

Profit before tax

For the reasons discussed above, profit before tax was ₹ 95.00 million in Fiscal 2024 and ₹ 491.79 million in Fiscal 2025.

Tax expense

Our total tax expense amounted to a credit of ₹ 17.00 million in Fiscal 2024, compared to an expense of ₹ 20.16 million in Fiscal 2025. Our current tax increased from ₹ 5.14 million in Fiscal 2024 to ₹ 64.04 million in Fiscal 2025, primarily due to higher profit before tax in Fiscal 2025, compared to Fiscal 2024. We recognized a deferred tax amounting to ₹ (22.14) million in Fiscal 2024, compared to a deferred tax amounting to ₹ (43.88) million in Fiscal 2025.

Profit for the year

As a result of the foregoing, our profit for the year was ₹ 112.00 million in Fiscal 2024 compared to ₹ 471.63 million in Fiscal 2025.

FISCAL 2024 COMPARED TO FISCAL 2023

Total Income

Total Income increased by 3.38% from ₹ 10,702.70 million in Fiscal 2023 to ₹ 11,063.95 million in Fiscal 2024. This was primarily attributable to an increase in Revenue from operations and Other income.

Revenue from operations

Revenue from operations increased by 3.58% from ₹ 10,574.87 million in Fiscal 2023 to ₹ 10,952.96 million in Fiscal 2024, primarily due to an increase in the sale of products from ₹ 10,421.70 million in Fiscal 2023 to ₹ 10,865.76 million in Fiscal 2024. The table below sets forth details of our revenues from the sale of mattress, branded foam, furniture, accessories and other operating revenues for the years indicated:

Product Category	Fiscal 2024		Fiscal 2023	
	Amount (₹ millions)	As a percentage of revenue from operations	Amount (₹ millions)	As a percentage of revenue from operations
Mattress	5,672.62	51.79%	5,873.29	55.54%
Branded foam	4,011.04	36.62%	3,563.14	33.69%
Furniture	760.00	6.94%	522.24	4.94%
Accessories	422.10	3.85%	463.03	4.38%
Other operating revenues	87.20	0.80%	153.17	1.45%
Revenue from operations	10,952.96	100.00%	10,574.87	100.00%

The increase in our revenue from operations was primarily due to an increase in the sale of branded foam and furniture products, offset by a decline in revenue from our mattress and accessories products. The following drivers contributed to an increase in revenue from branded foam sales:

- We focused on expanding our operations in the branded foam segment beyond South India and further strengthened retail partnerships in that region.
- Higher sales volumes in the branded foam products.
- There was also an increase in the volume of sales from the OEM and institutional channels, which resulted in an overall increase in revenue.

These increases were partially offset by a decrease in the average selling price of branded foam.

Further, in relation to mattress products, in Fiscal 2024, we refocused our distribution strategy away from external e-commerce channels (due to pricing considerations), which led to a reduction in revenue from the sales of mattress.

Other income

Other income decreased from ₹ 127.83 million in Fiscal 2023 to ₹ 110.99 million in Fiscal 2024, primarily due to a decrease in interest income under the effective interest method on financial assets carried at amortised cost from ₹ 113.89 million in Fiscal 2023 to ₹ 88.74 million in Fiscal 2024. The decrease in interest income was primarily on account of utilisation of fixed deposits balances to repay short-term borrowings in Fiscal 2024, resulting in lower average balances during the year. Other decreases included rental income from investment property, which declined from ₹ 5.30 million in Fiscal 2023 to ₹ 4.67 million in Fiscal 2024, gain on termination of lease from ₹ 3.74 million in Fiscal 2023 to ₹ 0.30 million in Fiscal 2024, profit on sale of property, plant and equipment (net) from ₹ 1.43 million in Fiscal 2023 to nil in Fiscal 2024. These decreases were partially offset by an increase in rental income from operating leases from ₹ 0.69 million in Fiscal 2023 to ₹ 13.04 million in Fiscal 2024, foreign exchange gain (net) from nil in Fiscal 2023 to ₹ 3.06 million in Fiscal 2024 and miscellaneous income from nil in Fiscal 2023 to ₹ 1.18 million in Fiscal 2024.

Total Expenses

Total expenses increased by 2.06% from ₹ 10,747.62 million in Fiscal 2023 to ₹ 10,968.95 million in Fiscal 2024, primarily due to an increase in cost of materials consumed, employee benefits expense and other expenses.

Cost of materials consumed

Cost of materials consumed increased by 6.48% from ₹ 5,351.33 million in Fiscal 2023 to ₹ 5,698.14 million in Fiscal 2024, primarily due to an increase in raw materials consumed on account of higher sales, including increased consumption of petrochemical inputs for foam for mattress production.

Purchase of stock-in-trade

Purchase of stock-in-trade decreased by 26.59% from ₹ 537.97 million in Fiscal 2023 to ₹ 394.95 million in Fiscal 2024, primarily due to the shift from traded SKUs to in-house manufacturing of certain furniture products.

Changes in inventories of finished goods, semi-finished goods and stock in trade

The change in inventories of finished goods, semi-finished goods and stock in trade was ₹ 161.01 million in Fiscal 2023 compared to ₹ 37.77 million in Fiscal 2024, primarily due to an increase in the in-house manufacturing activities in relation to furniture products, which were previously outsourced. This shift helped reduce dependency on third parties on the time taken to complete manufacturing and delivery of products, which resulted in a decrease in inventory.

Employee benefits expense

Employee benefits expense increased by 1.78% from ₹ 969.40 million in Fiscal 2023 to ₹ 986.65 million in Fiscal 2024, primarily due to an increase in staff welfare expenses from ₹ 63.06 million in Fiscal 2023 to ₹ 75.61 million in Fiscal 2024, which mainly comprised canteen expenses for factory employees and employee insurance. The increase in staff welfare expenses in Fiscal 2024 was also on account of expenses incurred towards employee related events, primarily an event to commemorate our foundation (which is a non-recurring event). In addition, gratuity expense increased from ₹ 16.64 million in Fiscal 2023 to ₹ 19.07 million in Fiscal 2024 million and share based payment expense increased from ₹ 13.62 million in Fiscal 2023 to ₹ 15.38 million in Fiscal 2024.

Finance costs

Finance costs decreased by 42.01% from ₹ 167.90 million in Fiscal 2023 to ₹ 97.36 million in Fiscal 2024, primarily due to a decrease in interest on financial liabilities measured at amortized cost on borrowings from banks from ₹ 120.00 million in Fiscal 2023 to ₹ 42.40 million in Fiscal 2024, primarily on account of repayment of long-term borrowings as per their repayment schedules and closure of certain short-term borrowings by utilisation of fixed deposits during the year; and interest on income tax from ₹ 3.00 million in Fiscal 2023 to nil in Fiscal 2024. These decreases were partially offset by an increase in interest on financial liabilities measured at amortized cost on lease liabilities from ₹ 33.11 million in Fiscal 2023 to ₹ 41.76 million in Fiscal 2024.

Depreciation and amortisation expense

Depreciation and amortisation expense decreased by 2.36% from ₹ 445.54 million in Fiscal 2023 to ₹ 435.02 million in Fiscal 2024, primarily due to a decrease in depreciation of property, plant and equipment from ₹ 260.70 million in Fiscal 2023 to ₹ 237.46 million in Fiscal 2024 and a decrease in amortisation of intangible assets from ₹ 41.27 million in Fiscal 2023 to ₹ 32.72 million in Fiscal 2024, partially offset by an increase in depreciation of right-of-use assets from ₹ 143.07 million in Fiscal 2023 to ₹ 164.34 million in Fiscal 2024, which was due to recognition of new right-of-use assets arising from leases entered into during Fiscal 2024.

Other expenses

Our other expenses increased by 6.57% from ₹ 3,114.47 million in Fiscal 2023 to ₹ 3,319.06 million in Fiscal 2024, primarily due to an increase in:

- (i) advertisement and sales promotion expenses from ₹ 758.81 million in Fiscal 2023 to ₹ 850.14 million in Fiscal 2024, primarily due to higher advertisement and sales promotion expenses relating to e-commerce channels;
- (ii) contract labour expenses from ₹ 246.72 million in Fiscal 2023 to ₹ 312.18 million in Fiscal 2024;
- (iii) freight charges from ₹ 707.22 million in Fiscal 2023 to ₹ 753.50 million in Fiscal 2024; and
- (iv) selling and distribution expenses from ₹ 603.15 million in Fiscal 2023 to ₹ 624.94 million in Fiscal 2024.

The aforementioned increases were primarily on account of the increase in the scale of our business operations. These increases were partially offset by a decrease in:

- (i) impairment of intangible assets from ₹ 25.20 million in Fiscal 2023 to nil in Fiscal 2024;
- (ii) repairs and maintenance – others from ₹ 79.04 million in Fiscal 2023 to ₹ 69.55 million in Fiscal 2024; and
- (iii) job work charges from ₹ 11.67 million in Fiscal 2023 to ₹ 1.00 million in Fiscal 2024.

Profit / Loss before tax

For the reasons discussed above, loss before tax was ₹ 44.92 million in Fiscal 2023 and a profit of ₹ 95.00 million in Fiscal 2024.

Tax expense

Our tax expense was a credit of ₹ 17.00 million in Fiscal 2024, compared to an expense of ₹ 109.82 million in Fiscal 2023. Our current tax decreased from ₹ 155.39 million in Fiscal 2023 to ₹ 5.14 million in Fiscal 2024, primarily due to the utilisation of carry forward business losses in Fiscal 2024. Further, we recognized a deferred tax amounting to ₹ (22.14) million in Fiscal 2024, compared to a deferred tax amounting to ₹ (45.57) million in Fiscal 2023.

Profit / Loss for the year

As a result of the foregoing, our loss for the year was ₹ 154.74 million in Fiscal 2023 compared to a profit of ₹ 112.00 million in Fiscal 2024.

LIQUIDITY AND CAPITAL RESOURCES

We have historically financed the expansion of our business and operations primarily through funds generated from our operations and, at times, through working capital loans and term loans towards capital expenditure.

CASH FLOWS

The following table sets forth our cash flows and cash and cash equivalents for the period / years indicated:

Particulars	Three months period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
	Amount (₹ millions)			
Net cash generated from operating activities (A)	193.85	1,082.03	471.60	704.05
Net cash generated from / (used in) investing activities (B)	(873.18)	31.52	459.35	276.93
Net cash flow used in financing activities (C)	(71.53)	(360.58)	(1,558.09)	(175.49)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(750.86)	752.97	(627.14)	805.49
Cash and cash equivalents at the beginning of the period/year	1,028.97	276.00	903.14	97.65
Cash and cash equivalents at the end of the period/year	278.11	1,028.97	276.00	903.14

Operating activities

Three months period ended June 30, 2025

Net cash generated from operating activities was ₹ 193.85 million in the three months period ended June 30, 2025. Profit before tax was ₹ 78.63 million, which was adjusted primarily for depreciation and amortisation expense of ₹ 103.50 million, interest on financial liabilities measured at amortized cost of ₹ 28.63 million, interest income under the effective interest method on financial assets carried at amortised cost of ₹ 39.63 million and share based payment expense of ₹ 5.28 million.

Working capital adjustments in the three months period ended June 30, 2025, primarily consisted of increase in trade receivables of ₹ 188.53 million, increase in inventories of ₹ 59.54 million, increase in trade payables of ₹ 242.33 million and increase in other financial assets of ₹ 14.12 million.

Fiscal 2025

Net cash generated from operating activities was ₹ 1,082.03 million in Fiscal 2025. Profit before tax was ₹ 491.79 million, which was adjusted primarily for depreciation and amortisation expense of ₹ 418.07 million, interest on financial liabilities measured at amortized cost of ₹ 67.14 million, share based payment expense of ₹ 7.20 million and interest income under the effective interest method on financial assets carried at amortised cost of ₹ 118.86 million.

Working capital adjustments in Fiscal 2025 primarily consisted of increase in trade receivables of ₹ 179.80 million, increase in inventories of ₹ 121.31 million, increase in trade payables of ₹ 423.73 million, increase in other financial assets of ₹ 117.80 million, increase in other liabilities of ₹ 142.30 million and decrease in other assets of ₹ 80.24 million.

Fiscal 2024

Net cash generated from operating activities was ₹ 471.60 million in Fiscal 2024. Profit before tax was ₹ 95.00 million, which was adjusted primarily for depreciation and amortisation expense of ₹ 435.02 million, interest on financial liabilities measured at amortized cost of ₹ 92.36 million, share based payment expense of ₹ 15.38 million, interest income under the effective interest method on financial assets carried at amortised cost of ₹ 88.74 million.

Working capital adjustments in Fiscal 2024 primarily consisted of decrease in inventories of ₹ 134.02 million, decrease in trade payables of ₹ 235.86 million, increase in other financial liabilities of ₹ 66.25 million, decrease in other assets of ₹ 63.67 million and increase in other liabilities of ₹ 29.92 million.

Fiscal 2023

Net cash generated from operating activities was ₹ 704.05 million in Fiscal 2023. Loss before tax was ₹ 44.92 million, which was adjusted primarily for depreciation and amortisation expense of ₹ 445.60 million, interest on financial liabilities measured at amortized cost of ₹ 160.21 million, share based payment expense of ₹ 13.62 million and interest income under the effective interest method on financial assets carried at amortised cost of ₹ 113.89 million.

Working capital adjustments in Fiscal 2023, primarily consisted of increase in trade receivables of ₹ 31.22 million, decrease in inventories of ₹ 168.12 million, increase in trade payables of ₹ 157.87 million and decrease in other financial liabilities ₹ 55.22 million.

Investing activities

Three-month period ended June 30, 2025

Net cash used in investing activities was ₹ 873.18 million in the three months period ended June 30, 2025, primarily due to acquisition of property, plant and equipment, intangible assets and capital work-in-progress of ₹ 168.47 million, investment in corporate fixed deposits of ₹ 436.36 million, investment in fixed deposits of ₹ 1,361.79 million and redemption of fixed deposits of ₹ 1,065.34 million.

Fiscal 2025

Net cash generated from investing activities was ₹ 31.52 million in Fiscal 2025 primarily due to acquisition of property, plant and equipment, intangible assets and capital work-in-progress of ₹ 131.63 million, rental income from investment property of ₹ 3.76 million, investment in fixed deposits of ₹ 1,081.19 million, redemption of fixed deposits of ₹ 1,126.62 million and interest received of ₹ 114.06 million.

Fiscal 2024

Net cash generated from investing activities was ₹ 459.35 million in Fiscal 2024 primarily due to acquisition of property, plant and equipment, intangible assets and capital work-in-progress of ₹ 145.73 million, proceeds from sale of property, plant and equipment of ₹ 10.69 million, investment in fixed deposits of ₹ 913.18 million, redemption of fixed deposits of ₹ 1,380.91 million and interest received of ₹ 121.99 million.

Fiscal 2023

Net cash generated from investing activities was ₹ 276.93 million in Fiscal 2023 primarily due to acquisition of property, plant and equipment, intangible assets and capital work-in-progress of ₹ 408.26 million, proceeds from sale of property, plant and equipment of ₹ 48.40 million, investment in fixed deposits of ₹ 79.28 million, redemption of fixed deposits of ₹ 603.00 million and interest received of ₹ 108.47 million.

Financing activities

Three-month period ended June 30, 2025

Net cash flow used in financing activities was ₹ 71.53 million in the three months period ended June 30, 2025, primarily due to repayment of non-current borrowings of ₹ 21.54 million, principal payment of lease liabilities of ₹ 20.44 million and interest on lease liabilities of ₹ 23.04 million.

Fiscal 2025

Net cash flow used in financing activities was ₹ 360.58 million in Fiscal 2025 primarily due to repayment of non-current borrowings of ₹ 133.75 million, principal payment of lease liabilities of ₹ 156.45 million and interest on lease liabilities of ₹ 39.60 million.

Fiscal 2024

Net cash flow used in financing activities was ₹ 1,558.09 million in Fiscal 2024 primarily due to proceeds from/ (repayment of) short term borrowings of ₹ 1,169.96 million, principal payment of lease liabilities of ₹ 151.88 million and interest on lease liabilities of ₹ 41.76 million.

Fiscal 2023

Net cash flow used in financing activities was ₹ 175.49 million in Fiscal 2023 primarily due to proceeds from non-current borrowings of ₹ 135.00 million, principal payment of non-current borrowings of ₹ 152.48 million, principal payment of lease liabilities of ₹ 120.19 million and interest on lease liabilities of ₹ 33.11 million.

INDEBTEDNESS

As on June 30, 2025, our borrowings were ₹ 76.43 million. The interest rate in respect of the borrowing facilities availed by us is typically the base rate of a specified lender and the spread per annum. For further details, see “*Financial Indebtedness*” on page 387.

MATURITY PROFILE OF OUR FINANCIAL LIABILITIES

The table below provides details regarding the contractual maturities of significant financial liabilities as at June 30, 2025. The amounts are based on contractual undiscounted payments.

Particulars	Carrying Amount	Total	Less than 1 year	1-5 years	5 years and above
Borrowings	76.43	82.25	55.55	26.70	-
Trade payables	1,840.81	1,840.81	1,840.81	-	-
Lease liabilities	983.62	1,562.49	195.53	541.78	825.18
Other financial liabilities	447.46	447.46	438.92	8.54	-
Total	3,348.32	3,933.01	2,530.81	577.02	825.18

CONTINGENT LIABILITIES

The table below sets forth our contingent liabilities disclosed as per Ind AS 37 as at June 30, 2025.

Particulars	Amount (₹ million)
Claims against companies not acknowledged as debts	
(i) Income Tax cases	148.63
(ii) Goods and services tax*	350.61
Total	499.24

*Matters relating to incorrect availment of input tax credit, mismatch between GSTR9 and mismatch between GSTR2A and GSTR3B.

For further information relating to our contingent liabilities, see “*Restated Consolidated Financial Information – Note 42 – Contingent Liabilities and commitments*” on page 333.

COMMITMENTS

The table below sets forth our capital commitments disclosed as per Ind AS 37 as at June 30, 2025.

Particulars	Amount (₹ million)
Contracts remaining to be executed on capital accounts in relation to property, plant and equipment and not provided for	64.72

CAPITAL EXPENDITURES

Below are the additions to the property, plant and equipment during the three months period ended June 30, 2025, and Fiscals 2025, 2024 and 2023:

Particulars	Three-month period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Office equipments	-	1.95	3.77	8.53
Computers & its peripherals	-	2.10	2.73	11.40
Buildings	-	12.01	14.08	135.62
Vehicles	21.15	0.99	-	-
Electrical Equipment	6.02	0.06	0.37	3.49
Furniture & Fixtures	-	3.64	5.02	17.83
Leasehold Improvements	8.40	14.51	59.93	106.39
Plant & Machinery	8.04	39.90	45.20	152.90
Total	43.61	75.16	131.10	436.16

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. For further details, see “*Restated Consolidated Financial Information – Note 46 – Related Party Disclosure*” on page 336.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to various financial risks, majorly credit risk, liquidity risk and market risk.

Credit Risk

Credit risk is the risk of financial loss to us if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from our receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which we grant credit terms in the normal course of business. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, bank deposits and other financial assets. We establish an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables. None of our other financial instruments result in material concentration of credit risk.

(i) Trade receivables

Our exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which we grant credit terms in the normal course of business. Trade receivables mainly pertain to receivables from dealers and distributors. We have also collected security deposits from these dealers and distributors which

acts as a security in case of default. Our normal credit period is 30-60 days. On account of adoption of Ind AS 109, we use the expected credit loss model to assess the impairment loss. Based on the industry practices and the business environment in which the entity operates, we consider the trade receivables to be in default (credit impaired) if the payments are more than 180 days past due.

(ii) Liquidity Risk

Liquidity risk is the risk that we will encounter difficulty in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure, as far as possible, that we will have sufficient liquidity to meet our liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. We have obtained term loans and working capital limits from various banks. We monitor rolling the forecast of our liquidity position and cash and cash equivalents on the basis of our expected cash flows. Our objective is to maintain a balance between cash outflow and inflow. Usually, the excess of funds is invested in fixed deposits and other financial instruments. This is generally carried out in accordance with practice and limits set by us. The limits vary to take into account the liquidity of the market in which we operate. We have a strong focus on liquidity and maintain a robust cash position to ensure adequate cover for responding to potential short-term market dislocation. Cash generated through operating activities remains the primary source for liquidity along with undrawn borrowing facilities and levels of cash and cash equivalents.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect our income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long-term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Interest rate risk

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our borrowing comprises of working capital loans and term loans which carry variable rate of interest. We regularly review interest rates to mitigate the risks associated with interest rate fluctuations.

(ii) Currency risk

The foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The functional currency of our Company is Indian Rupees, and our revenue is generated predominantly from operations in India. We regularly review foreign exchange rates to mitigate the risks associated with currency fluctuations. For further details, see note 40 of the Restated Consolidated Financial Statements.

(iii) Equity price risk

We do not have any exposures to equity price risk.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in “– *Significant Factors Affecting our Financial Condition and Results of Operations*” and the uncertainties described in “*Risk Factors*” on pages 354 and 32, respectively.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in “– *Significant Factors Affecting our Financial Condition and Results of Operations*” and the uncertainties described in “*Risk Factors*” on pages 354 and 32, respectively. To our knowledge, except as discussed in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND INCOME

Other than as described in “*Risk Factors*”, “*Our Business*” on pages 32 and 185, and this section respectively, to our knowledge, there are no known factors that might affect the future relationship between costs and revenue.

COMPETITIVE CONDITIONS

We operate in a competitive environment. See “*Risk Factors*”, “*Industry Overview*” and “*Our Business*”, on pages 32, 146 and 185, respectively, for further details on competitive conditions that we face.

SEASONALITY/ CYCLICALITY OF BUSINESS

See “*Risk Factors – Sales of our products are affected by seasonality, particularly during the festive and wedding seasons and ecommerce sale events during which our sales are comparatively higher, which could result in fluctuations in our operating results.*” on page 49.

SIGNIFICANT DEVELOPMENTS AFTER JUNE 30, 2025, THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Except as disclosed below, to our knowledge no circumstances have arisen since June 30, 2025, that could materially and adversely affect or are likely to affect, our operations, trading or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months:

- Our Board of Directors, in their meeting held on September 8, 2025, considered and approved the transfer of 4,00,000 equity shares of face value Rs. 1 each, held by Coco-Latex Exports Private Limited, pursuant to the Share Transfer Agreements dated July 15, 2025. The shares are being transferred in equal proportion of 1,00,000 (One Lakh) equity shares each to Mr. Jacob Joseph George, Mr. Mathew Chandy, Mr. Mathew Antony Joseph and Mr. Mathew George.
- Pursuant to the resolution passed in the board meeting and special resolution passed in the extraordinary general meeting of the shareholders of our Company held on September 9, 2025, our Company had filed an application with the Registrar of Companies, Kerala for conversion from a Private Limited Company to a Public Limited Company which was approved by the Registrar of Companies on September 17, 2025 and consequently our Company's name has changed from Duroflex Private Limited to Duroflex Limited vide the new certificate of incorporation.
- The Board of Directors at its meeting held on September 8, 2025, has recommended the bonus issue of equity shares in the ratio of 3:5 i.e., 3 equity shares will be issued for every 5 existing fully paid-up equity share held by the shareholder, which was further approved by the shareholders by means of a special resolution in their Extra Ordinary General Meeting dated September 25, 2025. The record date for the bonus share is September 23, 2025.

FINANCIAL INDEBTEDNESS

Our Company and our Subsidiaries avail credit facilities and borrowings in the ordinary course of business for the purposes of *inter alia* working capital, capital expenditure and other business requirements. We have obtained the necessary consents required under the relevant loan documentation for undertaking activities in relation to the Offer, including, *inter alia*, for effecting a change in our shareholding pattern, for effecting a change in the composition of our Board, and for amending our constitutional documents. These credit facilities and borrowings are in the form of, *inter alia*, cash credit and working capital loans, demand loans, and rupee term loans. For details regarding the borrowing powers of our Board in accordance with Section 179 and Section 180 of the Companies Act 2013, and our Articles of Association, see “*Our Management - Borrowing Powers of our Board of Directors*” on page 250.

As of August 31, 2025, our outstanding borrowings on a consolidated basis aggregated to ₹ 568.82 million.

The following table sets forth the details of the aggregate consolidated outstanding borrowings of our Company and Subsidiaries as of August 31, 2025, on a consolidated basis:

(in ₹ million)		
Category of borrowing	Sanctioned amount*	Outstanding amount as on August 31, 2025*
Secured borrowings		
Working capital facilities		
-Fund based [^]	1,350.00	148.32
-Non-fund based [#]		353.74
Term loans	285.00	66.76
Total secured borrowings (A)	1,635.00	568.82
Unsecured borrowings		
Total unsecured facilities (B)	Nil	Nil
Total Borrowings (A+B)	1,635.00	568.82

*As certified by P K Shah & Co, Chartered Accountants, having firm registration number 308150E, by way of their certificate dated October 15, 2025.

[^]Fund-based limits are fungible in nature.

[#]Non-fund based includes letter of credit and bank guarantee etc.

In relation to the Offer, we have obtained the necessary consents, waivers from and made the required intimations to the lenders, required under the relevant loan documentation, for undertaking activities in relation to the Offer and in connection thereto. For further details, see “*Risk Factors – We have incurred indebtedness and an inability to obtain further financing or to comply with repayment and other covenants in our financing agreements could adversely affect our business, results of operations, financial condition and cash flows.*” on page 53.

Principal terms of the facilities availed by our Company and our Subsidiaries

Brief details of the terms of our various borrowing arrangements are provided below and there may be similar/ additional terms, conditions and requirements under the borrowing arrangements entered into by us with our lenders.

1. **Interest Rate:** The applicable rate of interest for the various borrowing facilities availed by the Company are typically linked to the repo rate or marginal cost of lending rate (MCLR) over a specific period of time and are subject to mutual discussions between the relevant lenders and the Company and its Subsidiary, along with spreads ranging from 0.15% to 3.25%. Commission payable for the bank guarantee facilities availed by the Company and its Subsidiary is 1% per annum.
2. **Tenor:** The tenor of term loan facilities availed by the Company and its Subsidiary ranges up to 60 months from the date of sanction or drawdown. The tenor of certain working capital facilities are repayable on demand.
3. **Security:** The facilities sanctioned are typically secured by way of, *inter alia*:
 - a. Exclusive charge by way of hypothecation on entire current assets, book debts, inventory, movable fixed assets and plant and machinery of the borrower;
 - b. Pari passu charge over immovable fixed assets;
 - c. Certain borrowings are further secured by exclusive charges on specific assets;
 - d. Corporate guarantee given by the Company;
 - e. Cash margin on the fixed deposits kept under lien with the lender; and
 - f. Cash collaterals and security cover.

4. **Pre-payment:** Certain facilities allow for pre-payment of the outstanding amount by serving prior notice to the lender. Pre-payment may be subject to pre-payment penalties as may be prescribed. The lenders may charge a pre-payment penalty ranging from 2.00 % to 4.00 % of the outstanding amount.
5. **Re-payment:** The facilities are typically repayable from the date of first reimbursement till maturity, generally in monthly instalments as per the repayment schedule stipulated in the relevant loan documentation or as bullet repayments or are repayable on demand.
6. **Events of Default:** The borrowing arrangements entered into by our Company and our Subsidiaries contain standard events of default, including, *inter alia*:
 - a. Change in capital structure or shareholding pattern of our Company without prior approval of the lender;
 - b. Change in ownership, management and/or control including any change in the senior management of our Company without prior approval of the lender;
 - c. Failure or delay in making payment/repayment of any principal amount or interest on the relevant due dates.
 - d. Any change in the financial ratios of our Company beyond the prescribed limits as mentioned under various borrowing agreements;
 - e. Breach in security creation timelines and non-compliance on any loan covenants;
 - f. Winding up, insolvency/ bankruptcy or dissolution; and
 - g. Classification of our Company, the Promoters, the Directors as wilful defaulters or fraud;
 - h. Commencement of or existence of any legal proceedings/ investigations that may have a material adverse change/effect.
7. **Consequences of occurrence of events of default:** In terms of the facility agreements and sanction letters, in case of occurrence of events of default set out above, our lenders may, among others:
 - a. Terminate either wholly or part of the facility and/ or declare that the dues and all obligations shall immediately become due and payable to the lender;
 - b. Take possession of an /or transfer the assets comprised within the security;
 - c. Recall the entire facility including any outstanding amount thereto;
 - d. Issue a notice for conversion of outstanding loan obligations into equity or other securities;
 - e. Suspend further access/drawdowns, either in whole or in part, of the facility;
 - f. Appoint, chartered accountants, cost accountants, forensic experts, or other consultants for carrying out concurrent or special audit or examination of our Company or our Subsidiaries; and
 - g. Exercise such remedies as may be permitted or available to the lender under law, including RBI guidelines.

This is an indicative list and there may be additional terms that may require the consent of the relevant lender, the breach of which may amount to an event of default under various borrowing arrangements entered into by us, that may lead to consequences other than those stated above.
8. **Restrictive Covenants:** The loans availed by our Company typically, contain certain key covenants, which require prior approval of, or intimation to, the lenders and other relevant parties for certain specified events on corporate actions, including inter-alia:
 - a. Change in capital structure or shareholding pattern or members or ownership of our Company;
 - b. Change in the management control of our Company;
 - c. Declaration of dividend;
 - d. Implement any scheme of expansion/ diversification/ modernisation other than incurring routine capital expenditure;
 - e. Entering into any merger, de-merger, amalgamation, reorganisation or consolidation or formulating any scheme of reconstruction, arrangement or compromise;
 - f. Amend or modify any of our constitutional documents;

g. Change in the directors or management set-up of the borrower.

This is an indicative list and there may be such other additional terms under the borrowing arrangements entered into by our Company and our Subsidiaries. We are also required to keep the lenders informed of any event likely to have a substantial effect on our business.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, as on the date of this Draft Red Herring Prospectus, there are no outstanding (i) criminal proceedings (including any notices received for such criminal proceedings and criminal matters which are at first information report (“**FIR**”) stage {even if no cognizance has been taken by any court}) and matters pertaining to section 138 of the Negotiable Instruments Act, 1881 disclosed in consolidated manner giving the number of cases and total amount involved; (ii) outstanding actions (including all outstanding disciplinary actions, and show cause notices) by regulatory authorities and statutory authorities (including any judicial, quasi-judicial, administrative authorities or enforcement authorities); (iii) outstanding claims related to direct and indirect taxes disclosed in consolidated manner giving the number of cases and total amount involved (provided that tax matters for which the amount involved are equal to or exceed the Materiality Threshold (as defined below), it shall be considered as a material tax matter and will be disclosed separately); (iv) any other pending litigation (including civil and arbitration proceedings), where the amount involved in the proceedings exceeds the Materiality Threshold (as defined below); in each case involving our Company, its Promoters, Subsidiaries and Directors (“**Relevant Parties**”); and (v) criminal proceedings (including matters which are at FIR stage even if no cognizance has been taken by any court) and actions by regulatory and statutory authorities against the Key Managerial Personnel and Senior Management. Further, there are no disciplinary actions including any penalties imposed by the SEBI or Stock Exchanges against our Promoters in the last five Financial Years preceding the date of this Draft Red Herring Prospectus, including any outstanding action.

For the purpose of disclosure of pending material litigation in (iv) above, our Board in its meeting held on October 11, 2025 (“**Materiality Policy**”) has considered and adopted the Materiality Policy, in terms of which, any outstanding litigation where the aggregate monetary amount of claim/ dispute amount/ liability involved where the claim/ dispute amount, to the extent quantifiable, exceeds the lower of (a) 2% of turnover as per the Restated Consolidated Financial Information for Fiscal 2025; or (b) 2% of net worth based on the Restated Consolidated Financial Information for Fiscal 2025, or (c) 5% of the average of absolute value of profit or loss after tax, as per the Restated Consolidated Financial Information of our Company for the last three Fiscals. Accordingly, litigations which involve an amount of ₹7.15 million, being the amount equivalent to 5% of the average of absolute value of the profit/ loss after tax of our Company for the preceding three financial years as per the Restated Consolidated Financial Information (“**Materiality Threshold**”), would be considered ‘material’. Further, (a) all outstanding pending civil litigation/ arbitration proceedings involving the Relevant Parties, where monetary liability is not quantifiable or which does not exceed the Materiality Threshold or any other outstanding litigation/arbitration proceedings, the outcome of any such pending proceedings may have a material bearing on the business, operations, performance, prospects, financial position or reputation of our Company; (b) outstanding litigation, including civil litigation/arbitration proceedings, involving the Relevant Parties where the decision in such a proceeding is likely to affect the decision in similar proceedings, even though the amount involved in any individual proceeding does not exceed the Materiality Threshold; and (c) Any findings/observations of any inspections by SEBI or any other regulator involving the Relevant Parties, which are material, and which need to be disclosed, or non-disclosure of which may have bearing on the investment decision in relation to the Offer will be disclosed.

For the purposes of this section, pre-litigation notices received or sent by any of the Relevant Parties from/ to third parties (excluding those notices issued by statutory/ regulatory/ governmental/ taxation authorities and notices threatening any criminal action or FIRs, as applicable), shall not be considered as litigation until such time that the Relevant Parties are impleaded as a party in the litigation proceedings before any judicial/ quasi-judicial or arbitral forum, unless otherwise decided by our Board. Further, for the purposes of disclosure of outstanding criminal proceedings involving the Relevant Parties and key managerial personnel and senior management of our Company, criminal complaints shall not be considered as outstanding litigation, until such time that an FIR has been registered (even if no cognizance has been taken by any court) or cognizance has been taken by the relevant court/magistrate/authority.

In accordance with the Materiality Policy, as on the date of this Draft Red Herring Prospectus, there is no pending litigation involving our Group Companies, which in accordance with the SEBI ICDR Regulations, would be considered to have a ‘material impact’, if an adverse outcome from such pending litigation would materially and adversely affect the business, prospects, operations, performance, financial position, cash flows or reputation of our Company.

For the purpose of disclosure of outstanding dues to creditors, our Board in its meeting held on October 11, 2025 has considered and adopted the Materiality Policy for identification of material outstanding dues to creditors. Except as stated in this section, there are no outstanding material dues to creditors of our Company. In terms of the Materiality Policy, outstanding dues to any creditor (on the basis of trade payables) of our Company having a monetary value which exceeds 5 % of the total trade payables of our Company as of June 30, 2025 shall be considered as ‘material’. Accordingly, as on June 30, 2025, any outstanding dues exceeding ₹92.04 million have been considered as material outstanding dues for the purposes of identification of material creditors and related information in this section. Further, for outstanding dues to micro, small and medium enterprises (“**MSME(s)**”), the disclosure is based on information available with our Company regarding status of the creditors under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, read with the rules and notifications thereunder.

All terms defined in a particular litigation disclosure below correspond to that particular litigation only.

Litigation involving our Company

Litigation against our Company

Criminal litigation

1. The Deputy Director of Industrial Safety and Health, Hosur (“**Complainant**”), filed two criminal complaints on May 10, 2023, (“**Complaints**”) before the Chief Judicial Magistrate, Krishnagiri (“**Magistrate**”) against Satti Jose, the erstwhile Manager of our Company (collectively, the “**Petitioner**”). The Complaints alleged contraventions under Section 41 of the Factories Act, 1948, (“**Factories Act**”) read with Rule 61E of the Tamil Nadu Factories Rules, 1950, concerning three accidents involving contract workmen that occurred on March 24, 2015, May 18, 2015, and July 21, 2016. Following the issuance of summons by the Magistrate, the Petitioner filed a criminal original petition dated March 19, 2024, before the High Court of Judicature at Madras (“**High Court**”) under Section 482 of the CrPC, seeking to quash the Complaints. The principal ground for the petition is that the Complaints are statutorily time-barred under Section 106 of the Factories Act, which mandates that a complaint must be filed within three months from the date the alleged offence came to the knowledge of the inspector. The Petitioner contends that the Complainant possessed knowledge of the accidents when the statutory Form 18 intimations were duly submitted in 2015 and 2016, not from the date of a subsequent inspection on February 16, 2023. The High Court, by its order dated April 1, 2024, held that a *prima facie* case has been made out by the Petitioner. Consequently, the High Court granted an interim stay of the proceedings of the Complaints before the Magistrate until further orders and dispensed with the personal appearance of the Petitioner for the present. The matters are currently pending.

Material civil litigation

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations against our Company.

1. Sri Sai Furniture represented by its proprietor, Vootla Venkata Rama Mohan (the “**Plaintiff**”) has filed a civil suit (“**Suit**”), before the Court of the Principal District Judge, Kadapa (“**Kadapa Court**”) against our Company, represented by our Promoters, namely Jacob Joseph George, Mathew Chandy, Mathew George and Mathew Anthony Joseph, and other members of our Company’s management (collectively, the “**Defendants**”) claiming an amount of ₹ 8.32 million towards alleged pending benefits and consequent damages, along with future interest at 24% per annum and legal costs. The petition is filed under Order 7 Rule 1 of the Code of Civil Procedure (CPC) read with Section 26 of the CPC. As per the Suit, the Plaintiff, who was a distributor of Duroflex mattresses for our Company, has alleged that based on certain requisitions and email correspondence, the Company had agreed to appoint the Plaintiff as a store with pay certain benefits for a period of 12 years (with such agreement being the “**Arrangement**”). The Suit further alleges that after providing the benefits for one quarter, the Company breached the said Arrangement by stopping the supply of goods and failing to pay the remaining benefits. The matter is currently pending.
2. Rakesh Rexine House, represented by its proprietor, Mayur Kumar (the “**Petitioner**”), filed a petition (“**Petition**”) before the High Court of Karnataka at Bengaluru (“**Karnataka HC**”) against our Company (“**Respondent**”). The Petition was filed under Section 11(6) of the Arbitration and Conciliation Act, 1996, seeking the court’s intervention to appoint a sole arbitrator after the Respondent failed to respond to the Claimant’s notice invoking the arbitration clause in their distribution agreement dated January 14, 2018 (“**Agreement**”). As per the Petition, the Petitioner alleged that the Respondent had breached the terms of the Agreement by, *inter alia*, permitting another distributor to operate in the territory exclusively assigned to the Petitioner and by unlawfully terminating the Agreement without providing the requisite notice period. The Petitioner has raised a claim for an aggregate amount of approximately ₹ 24.69 million along with an interest at 15% towards, among other things, dues for returned products, outstanding payments from vendors, loss of turnover, and damages for unlawful termination. Subsequently, the Karnataka HC referred the dispute to a sole arbitrator (“**Sole Arbitrator**”) for adjudication. The matter is currently pending before the Sole Arbitrator.

Actions taken by regulatory or statutory authorities

As on the date of this Draft Red Herring Prospectus, there are no actions taken by regulatory or statutory authorities against our Company.

Litigation by our Company

Criminal litigation

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations by our Company.

1. Our Company has initiated three recovery proceedings against various parties, for the dishonour of cheques under section 138 of the NI Act, due to the account being blocked for insufficiency of funds. The cheques were presented by the Complainant to their banker and were dishonoured. These proceedings are pending at various stages of adjudication before various courts in India. The aggregate amount involved in such proceedings is approximately ₹9.64 million.

Material civil litigation

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations by our Company.

Litigation involving our Subsidiaries

Litigations against our Subsidiaries

Criminal litigations

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigation against our Subsidiaries.

1. The Chief Judicial Magistrate, Mazzafarnagar (“**Magistrate**”) has instituted a case against Sleepyhead Home Decor Private Limited (“**Sleepyhead**”) pertaining to alleged contraventions of Sections 11, 29, 18 and 36 of the Legal Metrology Act, 2009. Consequently, an order dated August 9, 2023 has been passed by the Magistrate for the issuance of a challan for the compounding of the alleged offence. The total amount involved in the matter is ₹0.02 million. The matter is currently pending.

Material civil litigations

As on the date of this Draft Red Herring Prospectus, there are no material outstanding civil litigations against our Subsidiaries.

Actions taken by regulatory or statutory authorities

As on the date of this Draft Red Herring Prospectus, there are no pending actions by regulatory and statutory authorities against our Subsidiaries.

Litigations by our Subsidiaries

Criminal litigations

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigation instituted by our Subsidiaries.

Material civil litigations

As on the date of this Draft Red Herring Prospectus, there are no material outstanding civil litigations instituted by our Subsidiaries.

Litigation involving our Promoters

Litigations against our Promoters

Criminal litigations

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigation against our Promoters.

1. The Deputy Director of Industrial Safety and Health, Hosur (“**Complainant**”), filed a complaint dated May 10, 2023, (“**Complaint**”) before the Chief Judicial Magistrate, Krishnagiri (“**Magistrate**”) against Mathew George, the Whole-time Director of our Company (“**Petitioner**”). The Complaint alleged contraventions under Section 7A(1) (2) and Section 41 of the Factories Act, 1948, (“**Factories Act**”) read with Rule 61E and Rule 61F of the Tamil Nadu Factories Rules, 1950, concerning three accidents involving contract workmen that occurred on March 24, 2015, May 18, 2015, and July 21, 2016. Following the issuance of summons by the Magistrate, the Petitioner filed a criminal original petition dated March 19, 2024, before the High Court of Judicature at Madras (“**High Court**”) under Section 482 of the CrPC, seeking to quash the Complaint. The principal ground for the petition is that the Complaint is statutorily time-barred under Section 106 of the Factories Act, which mandates that a complaint must be filed within three months from the date the alleged offence came to the knowledge of the inspector. The Petitioner contends that the Complainant possessed knowledge of the accidents when the statutory Form 18 intimations were duly submitted in 2015 and 2016, not from the date of a subsequent inspection on February 16, 2023. The High Court, by its order dated March 25, 2024, held that a *prima facie* case has been made out by the Petitioner. Consequently, the High Court granted an interim stay

of the proceedings of the Complaint before the Magistrate until further orders and dispensed with the personal appearance of the Petitioner for the present. The matter is currently pending.

Material civil litigations

For details of the civil suit filed by Sri Sai Furniture represented by its proprietor, Vootla Venkata Rama Mohan against, *inter alia*, our Company, our Promoters and certain of our Directors, please see “*Litigation involving our Company – Litigation against our Company – Material civil litigation*” on page 391.

Actions taken by regulatory or statutory authorities

As on the date of this Draft Red Herring Prospectus, there are no pending actions by regulatory and statutory authorities against our Promoters.

Disciplinary actions, including penalties imposed by SEBI or Stock Exchanges

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against our Promoters in the last five financial years including outstanding actions.

Litigations by our Promoters

Criminal litigations

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigation instituted by our Promoters.

Material civil litigations

As on the date of this Draft Red Herring Prospectus, there are no material outstanding civil litigations instituted by our Promoters.

Litigation involving our Directors

Litigations against our Directors

Criminal litigations

For details of the criminal case filed by Deputy Director of Industrial Safety and Health, Hosur against, Mathew George, the Whole-time Director of our Company, please see “*Litigation involving our Promoters – Litigation against our Promoters – Criminal litigations*” on page 392.

Material civil litigations

For details of the civil suit filed by Sri Sai Furniture represented by its proprietor, Vootla Venkata Rama Mohan against, *inter alia*, our Company, our Promoters and certain of our Directors, please see “*Litigation involving our Company – Litigation against our Company – Material civil litigation*” on page 391.

Actions taken by regulatory or statutory authorities

As on the date of this Draft Red Herring Prospectus, there are no pending actions by regulatory and statutory authorities against our Directors.

Litigations by our Directors

Criminal litigations

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigation instituted by our Directors.

Material civil litigations

As on the date of this Draft Red Herring Prospectus, there are no material outstanding civil litigations instituted by our Directors.

Litigation involving our Key Managerial Personnel and Senior Management

Litigations against our Key Managerial Personnel and Senior Management

Criminal litigations

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigation against our Key Managerial Personnel and Senior Management.

1. For details of the criminal case filed by Deputy Director of Industrial Safety and Health, Hosur against, Mathew George, the Whole-time Director of our Company, please see “*Litigation involving our Promoters – Litigation against our Promoters – Criminal litigations*” on page 392.
2. A criminal complaint (“**Complainant**”) was filed by B. M. Srinivas (“**Complainant**”) against Rajat Rastogi, the Chief Financial Officer of our Company and other parties (collectively, the “**Defendants**”), before the XXXIX Additional Chief Judicial Magistrate, Bengaluru City (“**Magistrate**”). The Complaint was filed for alleged violations pertaining to levy of market fees and the imposition of penalties for evasion thereof, under Sections 65 and 114 of the Karnataka Agricultural Produce Marketing (Regulation and Development) Act, 2009. The Magistrate by an order dated July 23, 2021, has directed the issuance of summons in this matter. The matter is currently pending.
3. A criminal complaint (“**Complainant**”) was filed by the Additional Director (Enforcement) (“**Complainant**”) Rajat Rastogi, the Chief Financial Officer of our Company and other parties (collectively, the “**Defendants**”), before the XXXIX Additional Chief Judicial Magistrate, Bengaluru City (“**Magistrate**”). The Complaint was filed for alleged violations pertaining to establishing a spot exchange for trading in notified agricultural produce without obtaining a licence under Sections 131-D and 131(I) of the Karnataka Agricultural Produce marketing (Regulation and Development) Act, 2009. The Magistrate by an order dated March 8, 2022, has directed the issuance of non-bailable warrants (“**NBW**”) against the Defendants. Following the issuance of the NBW by the Magistrate, the Defendants filed a criminal petition dated March 14, 2022 before the High Court of Karnataka (“**High Court**”) under Section 482 of CrPC and Section 528 of the Bharatiya Nagarik Suraksha Sanhita Act, 2023, on the grounds that an intermediary under IT Act cannot be hauled into criminal proceedings. The High Court by its order dated March 21, 2022 held that a *prima facie* case has been made out by the Defendants. Consequently, the High Court granted an interim stay of the proceedings of all further proceedings. The matter is currently pending.

Actions taken by regulatory or statutory authorities

As of the date on this Draft Red Herring Prospectus, there are no pending actions by regulatory and statutory authorities against our Key Managerial Personnel and Senior Management:

Litigations by our Key Managerial Personnel and Senior Management

Criminal Litigations

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigation instituted by our Key Managerial Personnel and Senior Management.

Claims related to direct and indirect taxes

Except as disclosed below, there are no claims related to direct and indirect taxes, involving the Relevant Parties:

Nature of case	Number of cases	Amount involved (in ₹ million) ⁽¹⁾
Company		
Direct tax	1	312.79
Indirect tax	26	395.60 ⁽²⁾
Subsidiaries		
Direct tax	3	148.63 ⁽⁴⁾
Indirect tax	1	4.57 ⁽³⁾
Directors		
Direct tax	4	2.24
Indirect tax	Nil	Nil
Promoters		
Direct tax	4	2.24
Indirect tax	Nil	Nil

⁽¹⁾ To the extent ascertainable and quantifiable.

⁽²⁾ Excludes ₹16.35 million paid by our Company as mandatory pre-deposits as protest.

⁽³⁾ Excludes ₹0.31 million paid by Shivarna as mandatory pre-deposits as protest.

⁽⁴⁾ Excludes ₹29.73 million paid by Shivarna as mandatory pre-deposits as protest.

Material Tax litigation

Material tax litigation involving our Company

Material direct tax litigation involving our Company

1. The Centralized Processing Center of the Income Tax Department (“**Department**”) issued an intimation dated May 27, 2025 (“**Intimation**”) to our Company under Section 143(1) of the Income Tax Act, for the assessment year 2024-25. The Intimation proposed an adjustment reducing the claimed refund by our Company by ₹45.17 million. The adjustments were made on grounds including, *inter alia*, the disallowance of brought forward business losses amounting to ₹267.61 million pertaining to the demerged undertaking from Sleepyhead Home Decor Private Limited, the non-consideration of advance tax payments of ₹41.56 million made by amalgamated undertaking, Palmspring Mattresses Private Limited, and the disallowance of TDS credit amounting to ₹3.61 million. Pursuant to the Intimation, the Department issued an order dated July 25, 2025 (“**Order**”) to our Company under Section 154 of the Income Tax Act stating that there is no payment due to our Company. Our Company has filed an appeal dated August 23, 2025, under Section 246A of the Income Tax Act against the Order before the Joint Commissioner (Appeals) / Commissioner of Income Tax (Appeals) - National Faceless Appeal Centre. The total amount involved in the matter is ₹312.79 million. The matter is currently pending.

Material indirect tax litigation involving our Company

1. The Office of the Commissioner of Goods and Service Tax and Central Excise (Audit), Government of Tamil Nadu (“**Department**”) issued a show cause cum demand notice dated September 25, 2023 (“**SCN**”) to our Company (“**Noticee**”), under Sections 73(9), 122(2)(a), and 125 of the CGST/TNGST Acts for the period July 2017 to March 2021, alleging *inter alia*: (i) non-payment of GST under the reverse charge mechanism (“**RCM**”) received from government/ government agency, security and cab hire services, and certain freight charges; (ii) short payment of GST on canteen services, rental income, and interest from debtors; (iii) alleged ineligible availment of input tax credit (“**ITC**”), including on blocked credits, excess availment over tax paid by suppliers, and credits with erroneous place of supply; and (iv) turnover mismatches identified through differences between GSTR-3B and GSTR-9. The SCN set out an aggregate demand of ₹46.3 million, inclusive of applicable interest and penalty (“**Demand**”). The Noticee submitted a reply dated November 23, 2023 (“**Reply**”), contesting the Demand on various grounds, *inter alia*, that (a) RCM liability was not applicable to certain cab hire and security service transactions, or where no service or inward supply was received; (b) turnovers and ITC mismatches arose from bona fide errors, with no intent to evade tax and with full taxes already discharged; (c) ITC cannot be denied purely based on mismatch with GSTR-2A/3B; and (d) reversal of ITC for CSR, staff uniform, repair/maintenance, and canteen expenses was not justified, especially where expenses were statutorily required or not “gifts” or “personal consumption” under Section 17(5) of the CGST and TNGST Acts. By way of the Reply, the Noticee further requested that the entire Demand (except for certain admitted, minor liabilities for which proof of payment was provided) be dropped in totality. Subsequently, an order dated December 28, 2023 was passed by the Department (“**Order**”) confirming the demand of ₹31.31 million. Aggrieved by the Order, Noticee filed an appeal dated March 27, 2024 (“**Appeal**”) before the First Appellate Authority, contesting the Order. Noticee has paid the mandatory pre-deposit of ₹2.80 million, being 10% of the disputed tax amount. The matter is currently pending.
2. The Office of the Joint Commissioner Intelligence Salem, Commercial Tax Department, Government of Tamil Nadu (“**Department**”) issued a show cause cum demand notice dated February 28, 2024 (“**SCN**”) to our Company (“**Noticee**”) under Section 74(9) and related penalty provisions of the CGST and TNGST Acts for the period April 2021 to March 2022, alleging *inter alia*: (i) non-reversal of input tax credit (“**ITC**”) on credit notes received, resulting in excess ITC having been claimed; (ii) alleged ineligible availment of blocked ITC under Section 17(5) of the CGST and TNGST Acts; (iii) ineligible availment of ITC on allocation of cost from head office to branch office without mandatory input service distributor (“**ISD**”) registration; and (iv) mismatches between GST returns and e-way bill data, leading to alleged excess ITC claims or unsubstantiated turnovers. The notice assessed an aggregate demand of ₹167.95 million inclusive of applicable interest and penalty (“**Demand**”). The Noticee submitted replies dated May 22, 2024, and May 30, 2024 (“**Replies**”), contesting the Demand, on various grounds, *inter alia*, that (a) there was no wilful misstatement, suppression or fraud to justify invocation of Section 74, with discrepancies resulting from bona fide errors and all information being duly disclosed; (b) ITC claimed in GSTR-3B was net of credit notes and any demand solely on the basis of GSTR-2A was erroneous, as law requires the Department to establish that ITC was actually availed in contravention; (c) blocked ITC claims were either not availed (having been expensed out) or did not fall within the scope of section 17(5), with the Department bearing the burden to show otherwise; (d) cross-charging from head office to branch office does not mandatorily require ISD registration and credits on such invoices are valid, as clarified by government circulars; (e) e-way bill and goods and services tax returns data mismatches were procedural, explained by legitimate circumstances and should not attract penalty absent mala fide intent or revenue loss. By way of the Replies, the Noticee requested that the entire Demand (except for certain minor admitted liabilities for which proof of payment was provided) be dropped in totality. Subsequently, an order dated May 30, 2024 was passed by the Department (“**Order**”) confirming the demand of ₹49.59 million. Aggrieved by the Order, Noticee filed an appeal dated August 29, 2024 (“**Appeal**”) before the First Appellate Authority, contesting the Order. Noticee has paid the mandatory pre-deposit of ₹1.93 million, being 10% of the disputed tax amount. The matter is currently pending.

3. The Office of the Joint Commissioner Intelligence Salem, Commercial Tax Department, Government of Tamil Nadu (“**Department**”) issued a show cause cum demand notice dated February 28, 2024 (“**SCN**”) to our Company (“**Noticee**”) under Section 74(9) and related penalty provisions of the CGST and TNGST Acts for the period April 2022 to March 2023, alleging *inter alia*: (i) alleged excess availment of input tax credit (“**ITC**”) in GSTR-3B compared to GSTR-2A, resulting in excess ITC having been claimed; (ii) stock difference, where discrepancies between book stock and physical stock identified during inspection were treated as taxable, attracting reversal and penalty; (iii) mismatches between GST returns and e-way bill data (for both inward and outward supplies), leading to alleged excess ITC claims or unsubstantiated turnovers. The notice ultimately assessed an aggregate demand of ₹23.30 million exclusive of applicable interest and penalty (“**Demand**”). The Noticee submitted replies dated April 22, 2024, and May 30, 2024 (“**Replies**”), contesting the Demand on various grounds, *inter alia*, that (a) there was no wilful misstatement, suppression, or fraud to justify invocation of Section 74, and that all discrepancies resulted from bona fide timing or procedural issues, with all information and cooperation provided to the Department; (b) ITC claimed in GSTR-3B was substantiated and any differences with GSTR-2A were due to timing, procedural aspects, or legitimate reconciliation (such as credit claim deferral), and any demand solely based on GSTR-2A was erroneous; (c) in the case of stock differences, the quantum in question was minor (less than 0.05% of overall tax), with no intention to evade and without sufficient supporting details or legal grounds for treating genuine timing differences as taxable supplies; (d) e-way bill and GST returns data mismatches were procedural, explained largely by service transactions or invoices below the statutory threshold, and did not justify demand in the absence of intent to evade or actual revenue loss; and (e) interest liability, if any, was dependent entirely on substantiated tax liability, and no further interest could be justified where tax was not due. Pursuant to adjudication order dated May 30, 2024 (“**Order**”), the Department acknowledged and dropped demands related to e-way bill mismatches where proper documentation and explanation were provided but confirmed demand amounting to ₹55.69 million relating to ITC mismatch and stock differences along with associated interest and penalty. The Noticee has filed an appeal dated August 29, 2024, seeking a complete set aside of the Order. Noticee has paid the mandatory pre-deposit of ₹2.33 million, being 10% of the disputed tax amount. The matter is currently pending.
4. The Office of the Assistant Commissioner, CGST & Central Excise, Division IV, Bhiwandi, Maharashtra (“**Department**”) issued a show cause cum demand notice dated May 27, 2024 (“**SCN**”) to our Company (“**Noticee**”) under Section 61 and penalties under Section 73(9) and Section 122(2)(a) of the CGST Act and Maharashtra Goods and Services Tax Act, 2017 for the period April 2019 to March 2020. The SCN alleged *inter alia*: (i) short payment of tax in GSTR-3B when compared with GSTR-1, resulting in alleged under-discharge of self-assessed output tax liability; (ii) short payment of GST under the reverse charge mechanism (“**RCM**”), specifically where the RCM tax disclosed in GSTR-3B was less than the liability identified in GSTR-2A; (iii) excess availment of input tax credit (“**ITC**”) in GSTR-3B as compared to GSTR-2A, leading to the reversal of such ITC; (iv) ITC claimed in respect of invoices issued by suppliers who had not filed their GSTR-3B returns, resulting in ineligible credit; (v) late filing of GSTR-1 for May 2019, attracting statutory late fees; (vi) a shortfall between outward tax declared in GSTR-3B and liability reflected in e-way bill data, resulting in additional alleged tax liability; and (vii) a mismatch between tax liability declared in GSTR-9 and GSTR-3B, leading to demand of the differential amount. The Noticee submitted a reply dated August 26, 2024 (“**Reply**”), contesting the Demand on the grounds, *inter alia*, that (a) issues relating to alleged excess ITC were already covered and settled in a previous audit concluded by the CGST Audit Commissionerate, and therefore, parallel proceedings violate settled law; (b) the alleged e-way bill discrepancy was a result of a clerical error as no supply actually took place against the disputed e-way bill, and documentation was provided to substantiate this position; (c) in respect of short-paid RCM liability, tax was paid under the correct head (CGST/SGST instead of IGST), resulting in a revenue-neutral situation; and (d) the difference between GSTR-1, GSTR-3B, and GSTR-9 had either been rectified in annual returns or resulted from timing/procedural matters, without intention to evade tax. Pursuant to the adjudication order dated August 29, 2024 (“**Order**”), the Department confirmed tax, interest, and penalty in respect of the ITC mismatch, e-way bill discrepancies, RCM and other issues, but no evidence was found of fraud, wilful misstatement, or suppression. The total demand assessed in the Order, amounted to ₹13.44 million inclusive of applicable interest and penalty (“**Demand**”). The Noticee has filed an appeal dated November 9, 2024, seeking to set aside the Order. Noticee has paid the mandatory pre-deposit of ₹1.22 million, being 10% of the disputed tax amount. The matter is currently pending.
5. The State Tax Officer, Intelligence, Office of the Joint Commissioner (ST) (Intelligence), Salem issued a show cause cum demand notice dated February 8, 2024 (“**SCN**”) to Sleepyhead Home Decor Private Limited (“**Noticee**”) under Section 74 of the TNGST Act and CGST Act, alleging excess claim of Input Tax Credit (“**ITC**”) for the period April 2020 to March 2021, raising an aggregate demand of ₹ ₹26.82 million exclusive of applicable interest and penalty. The Noticee has submitted replies contesting the applicability of the ITC reversal provisions, and stated that returned goods were not always damaged or unfit for sale and that ITC was not availed ineligible. The Commercial Tax Officer, Hosur, passed an order dated June 27, 2024 (“**Order**”), confirming the demand of ₹31.62 million against the Noticee. Noticee has filed an appeal dated September 9, 2024, under Section 107(1) of the CGST Act and TNGST Act, before the Appellate Deputy Commissioner (GST), Salem, challenging the Order. Noticee has paid the mandatory pre-deposit of ₹1.14 million, being 10% of the disputed tax amount. Pursuant to the demerger of the trading business of the Noticee

to our Company and by way of an intimation submitted by our Company in Form GST ITC-02, the liabilities of the Noticee were transferred to our Company. The matter is currently pending.

6. The State Tax Officer, Intelligence, Office of the Joint Commissioner (ST) (Intelligence), Salem issued a show cause cum demand notice dated February 8, 2024 (“**SCN**”) to Sleepyhead Home Decor Private Limited (“**Noticee**”) under Section 74 of the TNGST Act and CGST Act, alleging wrongful availment of input tax credit (ITC) in relation to goods identified as damaged during investigation for the period April 2021 to March 2022, raising an aggregate demand of ₹38.70 million, inclusive of applicable interest and penalty (“**Demand**”). The Noticee submitted replies contesting the applicability of ITC reversal, stating that goods returned by customers are not necessarily damaged and ITC was wrongly disallowed. The Commercial Tax Officer, Hosur, passed an order dated June 11, 2024 (“**Order**”) confirming the Demand. Our Company filed an appeal dated September 9, 2024, under Section 107(1) of the CGST Act and TNGST Act, before the Appellate Deputy Commissioner (GST), Salem, challenging the Order. Noticee has paid the mandatory pre-deposit of ₹1.50 million, being 10% of the disputed tax amount. Pursuant to the demerger of the trading business of the Noticee to our Company and by way of an intimation submitted by our Company in Form GST ITC-02, the liabilities of the Noticee were transferred to our Company. The matter is currently pending.
7. The State Tax Officer, Intelligence, Office of the Joint Commissioner (ST) (Intelligence), Salem issued a show cause cum demand notice dated February 8, 2024 (“**SCN**”) to Sleepyhead Home Decor Private Limited (“**Noticee**”) under Section 74 of the TNGST Act and CGST Act, alleging wrongful availment of input tax credit (“**ITC**”) based on disproportionate ITC retained in the credit ledger compared to physical stock as of November 30, 2022. The notice proposed an aggregate demand of ₹107.90 million inclusive of applicable interest and penalty (“**Demand**”). The Noticee submitted replies contesting the basis for ITC reversal, stating that the comparison of closing stock to ITC fails to account for business realities including input services, capital goods, and the cumulative nature of ITC, and that the proceedings were without jurisdiction. The Commercial Tax Officer, Hosur, passed a final order dated June 27, 2024 (“**Order**”) confirming the Demand. The Company has filed an appeal dated September 26, 2024, under Section 107(1) of the CGST Act and TNGST Act, before the Appellate Deputy Commissioner (GST), Salem, challenging the Order. Noticee has paid the mandatory pre-deposit of ₹4.49 million, being 10% of the disputed tax amount. Pursuant to the demerger of the trading business of the Noticee to our Company and by way of an intimation submitted by our Company in Form GST ITC-02, the liabilities of the Noticee were transferred to our Company. The matter is currently pending.
8. The Commercial Tax Officer, Hosur, Commercial Taxes Department, Government of Tamil Nadu (“**Department**”) issued a show cause notice dated February 8, 2024 (“**Notice**”) to Sleepyhead Home Decor Private Limited (“**Appellant**”) under Section 74 of the TNGST Act and CGST Act, for the period April 2019 to March 2020. The Order alleged *inter alia*, (i) short payment of tax in GSTR-3B when compared with GSTR-2A/2B, (ii) short payment of GST in GSTR 3B when compared with profit and loss account, (iii) wrongful availment of input tax credit (ITC) in relation to goods identified as damaged and (iv) ineligible availment of ITC on allocation of cost from head office to branch office during investigation for the period April 2019 to March 2020, raising an aggregate demand of ₹12.28 million, excluding applicable interest and penalty (“**Demand**”). The Noticee submitted replies to the Notice. The Commercial Tax Officer, Hosur, passed an order dated June 11, 2024 (“**Order**”) confirming a demand of ₹9.48 million. Aggrieved by the Order, the Appellant filed an appeal dated September 9, 2024 (“**Appeal**”), under Section 107(1) of the CGST Act and TNGST Act, before the Appellate Deputy Commissioner (GST), Salem (“**Authority**”), challenging the Order. The Authority accepted the appeal on November 18, 2024. Noticee has paid the mandatory pre-deposit of ₹0.32 million, being 10% of the disputed tax amount. Pursuant to the demerger of the trading business of the Noticee to our Company and by way of an intimation submitted by our Company in Form GST ITC-02, the liabilities of the Noticee were transferred to our Company. The matter is currently pending.
9. The office of the Assistant Commissioner (ST), Hosur (South) – III, Commercial Taxes Department, Government of Tamil Nadu (“**Department**”) issued a show cause notice dated September 29, 2025 (“**SCN**”) to Sleepyhead Home Decor Private Limited (“**Noticee**”) under Section 73 of the CGST Act, for the period April 2021 to March 2022, alleging *inter alia*, (i) negative turnover adjustments reported in GSTR-9C, (ii) excess claim of exempt turnover not corroborated across GSTR-1, GSTR-3B, and GSTR-9, and (iii) inadmissible tax reduction on credit notes issued for Financial Years 2020-21 and 2021-22. The notice set out an aggregate demand of ₹16.38 million, inclusive of tax, interest, and penalty (“**Demand**”). The Department has treated the unreconciled turnover and exemption differences as admitted liability. The Noticee has been directed to file its reply and appear for personal hearing on October 29, 2025 before the Department. Pursuant to the demerger of the trading business of the Noticee to our Company and by way of an intimation submitted by our Company in Form GST ITC-02, the liabilities of the Noticee were transferred to our Company. The matter is currently pending.
10. The Office of the Assistant Commissioner, Hosur (South) III Circle, Tamil Nadu (“**Department**”) issued a show cause notice dated September 29, 2025 (“**SCN**”) to Sleepyhead Home Decor Private Limited (“**Noticee**”) under Section 74(1) of the CGST Act, for the period April 2019 to March 2020, alleging excess availment of input tax credit (“**ITC**”) on account of mismatch between ITC claimed in GSTR-3B and that reflected in GSTR-2A. The Notice sets out an aggregate demand of ₹7.50 million, inclusive of applicable interest and penalty (“**Demand**”). The Noticee has

been directed to file its reply and appear for personal hearing on October 29, 2025, before the Department. Pursuant to the demerger of the trading business of the Noticee to our Company and by way of an intimation submitted by our Company in Form GST ITC-02, the liabilities of the Noticee were transferred to our Company. The matter is currently pending adjudication.

Material tax litigation involving our Subsidiaries

Material direct tax litigation involving our Subsidiaries

1. The Income Tax Department, Assessment Unit, Ministry of Finance, Government of India, issued a demand notice dated March 24, 2024 (“**Demand Notice**”) to Shivaarna Technofoams Private Limited (“**Shivaarna**”) pursuant to an assessment order (“**Assessment Order**”) passed under Section 143(3) read with Section 144B of the Income Tax Act for the assessment year 2022-23. The Demand Notice claimed a gross demand amounting to ₹122.33 million arising on grounds including, *inter alia*, purported incorrect claims of increase in unsecured loans amounting to ₹445.1 million and alleged incorrectly claimed business expenditure of ₹27.00 million. Shivaarna has filed an appeal dated April 16, 2024, under Section 246A of the Income Tax Act against the Assessment Order and Demand Notice before the Joint Commissioner (Appeals) / Commissioner of Income Tax (Appeals) - National Faceless Appeal Centre. Noticee has paid the mandatory pre-deposit of ₹24.47 million, being 20% of the disputed tax amount. The matter is currently pending.
2. The Income Tax Department, Assessment Unit has issued an order dated April 12, 2023 under Section 148(d) of the Income Tax Act, followed by an intimation dated June 11, 2024 for completion of assessment in accordance with the procedure of Section 144B of the Income Tax Act and an assessment order dated March 1, 2025 under Section 147 read with section 144B of Income Tax Act for an aggregate demand amount of ₹22.84 million (“**Order**”) to Shivaarna Technofoams Private Limited (“**Shivaarna**”). The claim of the Order arose on grounds including, *inter alia*, disallowance of cash expenses under Section 40A(3) of the Income Tax Act and addition of alleged unexplained cash credits under Section 68 read with Section 115BBE of the Income Tax Act. Shivaarna filed an appeal dated March 28, 2025, under Section 246A of the Income Tax Act against the Order before the Joint Commissioner (Appeals) / Commissioner of Income Tax (Appeals) - National Faceless Appeal Centre. Shivaarna has paid the mandatory pre-deposit of ₹4.57 million, being 20% of the disputed tax amount. The matter is currently pending.

Material indirect tax litigation involving our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no material indirect tax litigation against our Subsidiaries.

Outstanding dues to creditors

In terms of the Materiality Policy, creditors of our Company to whom an amount exceeding 5% of our total trade payables as of June 30, 2025 based on the Restated Consolidated Financial Information of our Company was outstanding, were considered ‘material’ creditors. Our total trade payables as of June 30, 2025, was ₹1,840.81 million and accordingly, creditors to whom outstanding dues as of June 30, 2025, exceed ₹92.04 million have been considered as material creditors for the purposes of disclosure in this Draft Red Herring Prospectus. Details of outstanding dues towards our material creditors are available on the website of our Company at www.duroflexworld.com/pages/investor-relations.

Based on the Materiality Policy, details of outstanding dues owed as of June 30, 2025, by our Company, on a consolidated basis are set out below:

Type of creditors	Number of creditors [#]	Amount outstanding (in ₹ million)
Dues to MSMEs*	116	186.23
Dues to material creditor(s)	3	509.07
Dues to other creditors	577	1,145.51**
Total	696	1,840.81

* As defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended.

** Includes accrued expenses amounting to ₹ 526.55 million.

As certified by P K Shah & Co, Chartered Accountants, having firm registration number 308150E, by way of their certificate dated October 15, 2025.

Material Developments

Except as disclosed in, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments After June 30, 2025, That May Affect Our Future Results Of Operations*” on page 386, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our Company and our Material Subsidiary, Shivaarna Technofoams Private Limited (“**Shivaarna**”) require various approvals, licenses, registrations, and permits issued by relevant governmental and regulatory authorities of the respective jurisdictions under various rules and regulations to carry out our present business activities and to undertake the Offer. Set out below is an indicative list of all material approvals, licenses, registrations, and permits obtained by our Company and our Material Subsidiary, Shivaarna, which are material and necessary for undertaking our business, and except as mentioned below, no further material approvals are required to be obtained by our Company and our Material Subsidiary to carry on our present business activities (such approvals, being the “**Material Approvals**”). Certain of our Material Approvals may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures, as necessary. The Material Approvals disclosed in this section have been and may be applied for renewal or amendment to relevant authorities, on account of change in the name of our Company, manufacturing facilities, warehouses and COCO Stores from time to time. For details, in connection with the applicable regulatory and legal framework within which we operate, see “Risk Factors” and “Key Regulations and Policies” on pages 32 and 223, respectively.

Further, for details of risk associated with not obtaining or delay in obtaining the requisite approvals, please see section titled “Risk Factors – Failure to obtain or renew approvals, licenses, registrations and permits to operate our business in a timely manner, or at all, may adversely affect our business, financial condition, results of operations and cash flows” on page 51. For incorporation details of our Company, see “History and Certain Corporate Matters - Brief history of our Company” on page 231.

Approvals in relation to our Company and our Material Subsidiary, Shivaarna

The approvals required to be obtained by our Company and our Material Subsidiary, Shivaarna include the following:

I. Incorporation details of our Company and our Material Subsidiary, Shivaarna

Incorporation related approvals obtained by our Company

- (a) Certificate of incorporation dated November 9, 1981, issued to our Company, under the name ‘*Duroflex Coir Industries Private Limited*’ by the RoC at Kerala.
- (b) Certificate of incorporation dated December 11, 1995, issued to our Company, pursuant to change in the name of Company to ‘*Duroflex Coir Industries Limited*’ by the RoC at Kerala.
- (c) Certificate of incorporation dated March 8, 1996, issued to our Company, pursuant to change in the name of our Company to ‘*Duroflex Limited*’ by the RoC at Kerala.
- (d) Certificate of incorporation dated July 29, 2003, issued to our Company, pursuant to change in the name of our Company ‘*Duroflex Private Limited*’ by the RoC at Kerala.
- (e) Fresh certificate of incorporation dated September 17, 2025, issued by the RoC CPC to our Company, pursuant to conversion of our Company to a public limited company.
- (f) The CIN of our Company is U36104KL1981PLC003447.

Incorporation and registration related approvals obtained by our Material Subsidiary, Shivaarna

- (a) Certificate of incorporation dated May 24, 2016, issued to Shivaarna under the name ‘*Shivaarna Plastics Private Limited*’ by the Registrar of Companies, Central Registration Centre.
- (b) Fresh certificate of incorporation dated April 18, 2017, issued to Shivaarna on account of change in name of the company to ‘*Shivaarna Technofoams Private Limited*’, by the Registrar of Companies at Madhya Pradesh, Gwalior.
- (c) The CIN of Shivaarna is U25517MP2016PTC040811.

II. Approvals in relation to the Offer

For details regarding the approvals and authorizations obtained by our Company in relation to the Offer, see “Other Regulatory and Statutory Disclosures - Authority for the Offer” and “The Offer” on pages 408 and 69, respectively.

III. Material Approvals in relation to the business operations of our Company and our Material Subsidiary, Shivaarna

(i) Approvals in relation to business obtained by our Company

- (a) Certificate of importer-exporter code dated April 2, 2025, issued on December 17, 1990, bearing IEC number 1090001614 issued to our Company, by the Office of the Joint Director General of Foreign Trade, Kochi, Department of Commerce, Ministry of Commerce and Industry, Government of India.
- (b) The LEI code number 3358009Z11TC3NMXXG83 granted by the Legal Entity Identifier India Limited.
- (c) Registration as manufacturer/ packer issued by the Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution under the Legal Metrology Act, 2009 and the Legal Metrology (Packaged Commodities), Rules, 2011 for five manufacturing facilities.

(ii) Approvals in relation to business obtained by our Material Subsidiary, Shivaarna

- (a) Certificate of importer-exporter code dated June 28, 2024, issued on May 29, 2017, bearing IEC number 1117501914 issued to our Company by the Office of the Joint Director General of Foreign Trade, Indore, Department of Commerce, Ministry of Commerce and Industry, Government of India.
- (b) The LEI code number 335800VRNM6M4918XM40 granted by the Legal Entity Identifier India Limited.
- (c) Registration as manufacturer/ packer issued by the Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution under the Legal Metrology Act, 2009 and the Legal Metrology (Packaged Commodities), Rules, 2011 for one manufacturing facility.

(iii) Approvals in relation to tax obtained by our Company

- (a) The permanent account number of our Company is AABCD8855E.
- (b) The tax deduction account number of our Company is BLRD02552E and TVDD00247C.
- (c) Relevant professional tax registrations obtained by our Company for certain jurisdictions where our business operations are located, and relevant goods and services tax identification numbers under the applicable provisions of the goods and services tax legislations in the states and union territories where our business operations are located, and such registrations are required.

(iv) Approvals in relation to tax obtained by our Material Subsidiary, Shivaarna

- (a) The permanent account number of our Material Subsidiary is AAXCS1075P.
- (b) The tax deduction account number of our Material Subsidiary is BPLS18929B.
- (c) Relevant professional tax registrations obtained by our Material Subsidiary, Shivaarna for certain jurisdictions where its business operations are located, and relevant goods and services tax identification numbers under the applicable provisions of the goods and services tax legislations in the states and union territories where Shivaarna's business operations are located, and such registrations are required.

(v) Approvals in relation to labour and employment obtained by our Company and Material Subsidiary, Shivaarna

Our Company and Material Subsidiary, to the extent applicable, have obtained registrations under various employee and labour related laws including:

- (a) the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and applicable state specific laws, our Company and Material Subsidiary have been allotted employees provident fund establishment codes BGBNG0011800000 and MPIND1806129000, respectively, by the Employees' Provident Fund Organisation;
- (b) the Contract Labour (Regulation and Abolition Act), 1970;

- (c) the Employees' State Insurance Act, 1948, our Company and Material Subsidiary have been allotted employee state insurance codes 53000309020001099 and 18000306150001099, respectively, by the Employees' State Insurance Corporation;
- (d) the relevant shops and establishments legislations, for the respective states in which we operate;
- (e) the relevant trade licenses issued under relevant municipality laws, for the respective states in which we operate; and
- (f) registrations under the labour welfare fund legislations under applicable state specific laws obtained by our Company.

(vi) Material Approvals obtained in relation to our manufacturing facilities

The Material Approvals obtained in respect of our manufacturing facilities, include:

Manufacturing Facility I – Komaranapalli, Tamil Nadu

- (a) Certificate of stability issued by the chartered civil engineer authorised under the Factories Act, 1948, and rules made thereunder, valid until December 8, 2025;
- (b) Registration and license to work a factory issued by the Joint Director of Industrial Safety and Health, Chennai, Tamil Nadu under the Factories Act, 1948, and rules made thereunder, valid until December 31, 2025;
- (c) Consents to operate for expansion issued by the District Environmental Engineer, Tamil Nadu Pollution Control Board, Hosur, under the Air (Prevention and Control of Pollution) Act, 1981 and the Water (Prevention and Control of Pollution) Act, 1974, valid until March 31, 2030;
- (d) Authorization granted by the Joint Chief Environmental Engineer – Monitoring, Tamil Nadu Pollution Control Board, Vellore, under the Hazardous and Other Wastes (Management & Transboundary Movement) Rules, 2016, valid until March 31, 2029;
- (e) Registrations issued by the Licensing Officer, Deputy Director of Industrial Safety and Health, Hosur under the Contract Labour (Regulation and Abolition) Act, 1970, valid until December 31, 2026;
- (f) Certificate of registration of captive generating plant issued by Electrical Inspector, Government of Tamil Nadu, Krishnagiri Division, Tamil Nadu, valid until May 15, 2026; and
- (g) Fire license renewal obtained from the Tamil Nadu Fire and Rescue Service Department, valid until January 22, 2026.

Manufacturing Facility II – Kallugondapalli, Tamil Nadu

- (a) Certificate of stability issued by the competent person authorised under the Factories Act, 1948, and rules made thereunder, valid until July 28, 2026;
- (b) Registration and license to work a factory issued by the Joint Director of Industrial Safety and Health, Hosur, Tamil Nadu under the Factories Act, 1948, and rules made thereunder, valid until December 31, 2025;
- (c) Consents to operate for expansion issued by the District Environmental Engineer, Tamil Nadu Pollution Control Board, Hosur, under the Air (Prevention and Control of Pollution) Act, 1981 and the Water (Prevention and Control of Pollution) Act, 1974, valid until March 31, 2030;
- (d) Authorisation granted by the District Environmental Engineer, Tamil Nadu Pollution Control Board, Hosur, under the Hazardous & Other Wastes (Management & Transboundary Movement) Rules, 2016, valid until March 31, 2029;
- (e) Registrations issued by the Licensing Officer, Deputy Director of Industrial Safety and Health, Hosur under the Contract Labour (Regulation and Abolition) Act, 1970, valid until December 31, 2026;

- (f) Fire license renewal obtained from the Tamil Nadu Fire and Rescue Service Department, valid until May 12, 2028; and
- (g) Certificate of registration of captive generating plant issued by the Electrical Inspector, Government of Tamil Nadu, Krishnagiri Division, Tamil Nadu.

Manufacturing Facility III – Dhamodharahalli, Tamil Nadu

- (a) Certificate of stability issued by the chartered civil engineer authorised under the Factories Act, 1948, and rules made thereunder, valid until June 4, 2028;
- (b) Registration and license to work a factory issued by the Joint Director of Industrial Safety and Health, Hosur, Tamil Nadu under the Factories Act, 1948, and rules made thereunder, valid until December 31, 2025;
- (c) Consents to operate for expansion issued by the District Environmental Engineer, Tamil Nadu Pollution Control Board, Hosur, under the Air (Prevention and Control of Pollution) Act, 1981 and the Water (Prevention and Control of Pollution) Act, 1974, valid until March 31, 2026;
- (d) Registrations issued by the Registering Officer, Joint Director and the Licensing Officer, Deputy Director of Industrial Safety and Health, Hosur under the Tamil Nadu Contract Labour (Regulation and Abolition) Act, 1975, valid until December 31, 2026;
- (e) Certificate of registration of captive generating plant issued by Electrical Inspector, Government of Tamil Nadu, Krishnagiri Division, Tamil Nadu, valid until January 30, 2026; and
- (f) Fire license renewal obtained from the Tamil Nadu Fire & Rescue Service Department, valid until April 23, 2028.

Manufacturing Facility IV – Medchal, Telangana

- (a) License to work a factory issued by the Inspector of Factories, Medchal, Malkajgiri II, Telangana, under the Factories Act, 1948, and the rules made thereunder, valid until cancellation;
- (b) Registration under the Contract Labour (Regulation and Abolition) Act, 1970, issued by the Office of the Licensing Officer, Labour Department, Government of Telangana, valid until September 29, 2026;
- (c) Building design certificate obtained under the Telangana State Municipality Act, 2019, issued by the authorised third-party, valid till December 22, 2031; and
- (d) Diesel generator test certificate bearing license number ARAI/DGTA/CCPL/CDA18253D21/2014/4814.

Manufacturing Facility V – Hatuniya, Madhya Pradesh

- (a) Certificate of stability issued by the chartered engineer authorised under the Factories Act, 1948, and rules made thereunder, valid until July 3, 2030;
- (b) License to work a factory issued by the Additional Chief Inspector of Factories, Directorate of Industrial Health and Safety, Madhya Pradesh under the Factories Act, 1948, and rules made thereunder, valid until December 31, 2026;
- (c) Consent order issued by the Madhya Pradesh Pollution Control Board under the Air (Prevention and Control of Pollution) Act, 1981 and the Water (Prevention and Control of Pollution) Act, 1974, valid until December 31, 2026;
- (d) Authorisation granted under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, issued by the Member Secretary, Madhya Pradesh Pollution Control Board, valid until March 31, 2027;
- (e) Fire safety certificate obtained from the Office of Indore Collector/Fire Officer, Indore Division, Madhya Pradesh, valid till February 3, 2028; and

- (f) Approval of electrical installation issued by the Executive Engineer (Electrical Safety) and Divisional Electrical Inspector, Government of Madhya Pradesh, Indore under the Electricity Act, 2003, and the rules made thereunder.

Manufacturing Facility VI – Baroda, Madhya Pradesh

- (a) Certificate of stability issued by the Chief Inspector under the Factories Act, 1948, and the rules made thereunder;
- (b) License to work a factory issued by Chief Inspector of Factories, Bhopal, Madhya Pradesh under the Factories Act, 1948, and rules made thereunder, the registration being valid until December 31, 2026;
- (c) Consent order issued by the Chairman, Madhya Pradesh Pollution Control Board under the Air (Prevention and Control of Pollution) Act, 1981 and the Water (Prevention and Control of Pollution) Act, 1974, valid until January 2, 2028;
- (d) Grant of consent under the Air (Prevention and Control of Pollution) Act, 1981, the Water (Prevention and Control of Pollution) Act, 1974 and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, valid until January 2, 2027;
- (e) Registrations issued by the Office of the Registering Officer, District Labour Office, Indore, Labour Department, Government of Madhya Pradesh under Contract Labour (Regulation and Abolition) Act, 1970 and the rules made thereunder, valid until December 31, 2026; and
- (f) Fire safety certificate obtained from the Office of Indore Collector/Fire Officer, Indore Division, Madhya Pradesh, valid until March 12, 2027; and
- (g) Approval of electrical installation issued by the Executive Engineer (Electrical Safety) and Divisional Electrical Inspector, Government of Madhya Pradesh, Indore under the Electricity Act, 2003, and the rules made thereunder.

Manufacturing Facility VII – Kelamangalam, Tamil Nadu

- (a) Certificate of stability issued by the chartered engineer authorised under the Factories Act, 1948, and rules made thereunder;
- (b) Registration and license to work a factory issued by the Joint Director of Industrial Safety and Health, Chennai, Tamil Nadu under the Factories Act, 1948, and rules made thereunder, the registration being valid until December 31, 2025;
- (c) Consents for establishment issued by the District Environmental Engineer, Tamil Nadu State Pollution Control Board, Hosur, under the Air (Prevention and Control of Pollution) Act, 1981 and the Water (Prevention and Control of Pollution) Act, 1974, valid until March 31, 2029;
- (d) Registration issued by the Directorate of Industrial Safety and Health, Tamil Nadu under Contract Labour (Regulation and Abolition) Act, 1970, valid until April 30, 2026;
- (e) Fire license renewal obtained from the Tamil Nadu Fire & Rescue Service Department, valid until May 30, 2028; and
- (f) Certificate of registration of captive generating plant issued by Electrical Inspector, Government of Tamil Nadu, Krishnagiri Division.

(vii) Material Approvals obtained in relation to our warehouses and COCO Stores

Material Approvals obtained by our warehouses and COCO Stores, include the following:

- (a) the relevant shops and establishments legislations, for the respective locations at which our warehouses and COCO Stores operate; and
- (b) the relevant trade licenses issued under relevant municipality laws, for the respective locations at which our warehouses and COCO Stores operate.

(viii) Material Approvals applied for but not received

As on the date of this Draft Red Herring Prospectus, there are certain materials approvals for which our Company has made an application to the appropriate authorities but not obtained the approvals or renewed approvals, as applicable, including the material approvals as included below:

- (a) Registration as manufacturer/ packer issued by the Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution under the Legal Metrology Act, 2009 and the Legal Metrology (Packaged Commodities), Rules, 2011 for Manufacturing Facility V;
- (b) Professional tax registrations in Gujarat, Tamil Nadu, Jharkhand and Kerala;
- (c) Shops and Establishment licenses under the respective state municipal laws for one of our warehouses and four of our COCO Stores;* and
- (d) Trade licenses under the respective municipal laws for 27 of our COCO Stores and two of our warehouses.*

(ix) Material Approvals expired and renewal yet to be applied for

As on the date of this Draft Red Herring Prospectus, there are certain approvals which may have lapsed in their normal course and for which our Company has not made applications to the appropriate authorities for renewal or for which our Company is in the process of making such applications, including the materials approvals set out below:

- (a) Registration as manufacturer/ packer issued by the Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution under the Legal Metrology Act, 2009 and the Legal Metrology (Packaged Commodities), Rules, 2011 for Manufacturing Facility V;
- (b) Trade licenses under the respective municipal laws for four of our warehouses and 13 of our COCO Stores;*
- (c) Shops and establishment licenses under the respective state municipal laws for four of our warehouses and four of our COCO Stores*.

** Note: The registration of shops and establishment and trade licenses, including provisional trade licenses, under the respective municipal laws typically expires in 1-3 years. Upon expiration of such licenses our Company applies for renewal of such licenses in ordinary course of business.*

(x) Intellectual Property

For information about the intellectual property related approvals, please see “Our Business – Registered Intellectual Property” beginning on page 207.

SECTION VII: OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term “group companies”, includes (a) such companies (other than promoters and subsidiaries) with which there were related party transactions during the period for which financial information is disclosed in this Draft Red Herring Prospectus, as covered under applicable accounting standards, and (b) any other companies considered material by the board of directors of the relevant issuer company.

Accordingly, for (a) above, all such companies (other than our Subsidiaries) with which our Company had related party transactions during the periods for which financial information is disclosed in the Restated Consolidated Financial Information, as covered under the applicable accounting standards (i.e. Ind AS 24), have been disclosed as group companies in this Draft Red Herring Prospectus in terms of the SEBI ICDR Regulations.

Further with respect to point (b) above, our Board, in its meeting held October 11, 2025, has considered and adopted a policy of materiality for the identification of companies that shall be considered material and disclosed as a ‘group company’ in this Draft Red Herring Prospectus. (“**Materiality Policy**”). In terms of such Materiality Policy, such companies shall be considered material and disclosed as a Group Company, if a company (i) is a member of the Promoter Group; and (ii) has entered into one or more transactions with our Company in the most recent period for which Restated Consolidated Financial Information is included in this Draft Red Herring Prospectus, which exceeds, individually or in the aggregate, 10% of the total restated consolidated revenue from operations of our Company or the most recent financial year or the stub period, as the case may be, derived from the Restated Consolidated Financial Information.

Accordingly, based on the parameters outlined above, as on the date of this Draft Red Herring Prospectus, our Company has identified the below as our Group Companies:

1. Coco-Latex Exports Private Limited; and
2. Vazhathoppil Enterprises Private Limited.

Except as indicated below, certain financial information in relation to our Group Companies for the previous three financial years, extracted from its audited financial statements (as applicable), is available on the website of our Company at www.duroflexworld.com/pages/investor-relations, in accordance with the SEBI ICDR Regulations.

Our Company is providing the link to such a website solely to comply with the requirements specified under the SEBI ICDR Regulations. Such financial information of the Group Companies and other information provided on the websites given below does not constitute a part of this Draft Red Herring Prospectus. Such information should not be considered as part of information that any investor should consider before making any investment decision.

Details of our Group Companies

The details of our Group Companies are provided below:

1. **Coco-Latex Exports Private Limited**

Registered Office

The registered office of Coco-Latex Exports Private Limited is situated at Vazhathoppu Buildings, Alleppey 688 011, Kerala, India.

Financial information

In accordance with the SEBI ICDR Regulations, the financial information based on the audited financial statements of Coco-Latex Exports Private Limited for the Fiscals 2024, 2023 and 2022 with respect to: (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value extracted from their respective audited standalone financial statements (as applicable), are available at the website of our Company at www.duroflexworld.com/pages/investor-relations.

2. **Vazhathoppil Enterprises Private Limited**

Registered Office

The registered office of Vazhathoppil Enterprises Private Limited is situated at P.B No.3808, near Chungam Bridge, Chungom P.O, Alappuzha, Alleppey 688 011, Kerala, India.

Financial information

In accordance with the SEBI ICDR Regulations, the financial information based on the audited financial statements of Vazhathoppil Enterprises Private Limited for the Fiscals 2025, 2024 and 2023 with respect to: (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value extracted from their respective audited standalone financial statements (as applicable), are available at the website of our Company at www.duroflexworld.com/pages/investor-relations.

Nature and extent of interest of the Group Companies

In the promotion of our Company

Our Group Companies do not have any interest in the promotion of our Company, except to the extent that our Promoters are also on the board of directors of Coco-Latex Exports Private Limited and Vazhathoppil Enterprises Private Limited.

In the properties acquired by our Company in the past three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company

Our Group Companies are not interested in the properties acquired by our Company in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

In transactions for acquisition of land, construction of building and supply of machinery, etc.

Our Group Companies are not interested in any transactions by our Company pertaining to acquisition of land, construction of buildings or supply of machinery, etc.

Common pursuits among the Group Companies and our Company

There are no common pursuits amongst our Group Companies and our Company.

Related business transactions with our Group Companies and significance on the financial performance of our Company

Except as disclosed in “Offer Document Summary – Summary of Related Party Transactions” and “Restated Consolidated Financial Information – Notes to Restated Consolidated Financial Information – 46. Related party disclosures” on page 24 and 336, respectively, there are no related business transactions with the Group Company and impact financial performance of our Company.

Litigation

As on the date of this Draft Red Herring Prospectus, there is no pending litigation involving our Group Companies which will have a material impact on our Company.

Business interest of Group Companies

Except in the ordinary course of business and the lease of the land owned by Vazhathoppil Enterprises Private Limited to the Company, on which the Registered Office of our Company is situated, as stated in “Restated Consolidated Financial Information – Notes to Restated Consolidated Financial Information – 46. Related party disclosures” on page 336, our Group Companies do not have any business interest in our Company.

Other Confirmations

Our Group Companies do not have any securities listed on a stock exchange.

Further, our Group Companies have not made any public or rights or composite issues (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Red Herring Prospectus.

SECTION VIII: OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board has approved the Offer pursuant to the resolution passed at its meeting held on October 11, 2025 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated October 11, 2025 in terms of Section 62(1)(c) of the Companies Act, 2013. Further, our Board has taken on record the consent letters of each of the Selling Shareholders, severally and not jointly, to participate in the Offer for Sale pursuant to its resolution dated October 15, 2025. This Draft Red Herring Prospectus has been approved by the resolution passed by our Board on October 15, 2025 for filing with SEBI and the Stock Exchanges.

Authorisation by the Selling Shareholders

Each of the Selling Shareholders, severally and not jointly, confirms their participation in the Offer for Sale, as set out below:

Particulars	Number of Offered Shares	Date of board resolution/ authorisation	Date of consent letter
Promoter Selling Shareholders			
Jacob Joseph George	Up to 1,912,252 Equity Shares of face value ₹1 each aggregating up to ₹[●] million	N.A.	October 10, 2025
Mathew Chandy	Up to 5,736,755 Equity Shares of face value ₹1 each aggregating up to ₹[●] million	N.A.	October 10, 2025
Mathew George	Up to 2,294,702 Equity Shares of face value ₹1 each aggregating up to ₹[●] million	N.A.	October 10, 2025
Mathew Antony Joseph	Up to 3,059,602 Equity Shares of face value ₹1 each aggregating up to ₹[●] million	N.A.	October 10, 2025
Investor Selling Shareholder			
Lighthouse India Fund III, Limited	Up to 9,460,574 Equity Shares of face value ₹1 each aggregating up to ₹[●] million	October 13, 2025	October 13, 2025
Lighthouse India III Employee Trust	Up to 100,684 Equity Shares of face value ₹1 each aggregating up to ₹[●] million	October 13, 2025	October 13, 2025

The Offered Shares are eligible to be offered for sale in the Offer in accordance with Regulations 8 and 8A of the SEBI ICDR Regulations, as on the date of this Draft Red Herring Prospectus.

In-principle listing approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively.

Prohibition by SEBI, RBI or other Governmental Authorities

Our Company, Promoters, members of the Promoter Group, our Directors, and the persons in control of our Company are not and have not been prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters and Directors are associated with as promoter, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

None of our Directors are associated with securities market related business, in any manner and there have been no outstanding actions initiated by SEBI against our Directors in the five years preceding the date of this Draft Red Herring Prospectus.

Our Company, Promoters and Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers, to the extent applicable by any bank or financial institution or consortium thereof in accordance with the Reserve Bank of India (Treatment of Wilful Defaulters and Large Defaulters) Directions, 2024 and SEBI ICDR Regulations.

Our Promoters and Directors have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018, to the extent applicable.

Each of the Selling Shareholders, severally and not jointly, confirm that they have not been prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

All the Equity Shares are fully paid up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, members of the Promoter Group, and each of the Selling Shareholders, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable to each of them, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(2) of the SEBI ICDR Regulations, which states as follows:

“An issuer not satisfying the condition stipulated in sub-regulation (1) of the SEBI ICDR Regulations shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy-five per cent of the net offer to qualified institutional buyers and to refund the full subscription money if it fails to do so.”

We are an unlisted company that does not satisfy the conditions specified in the proviso to Regulation 6(1)(a) and Regulation 6(1)(b) of the SEBI ICDR Regulations, i.e., (a) while our Company has net tangible assets of at least ₹ 30 million, calculated on a restated consolidated basis, in each of the preceding three full financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, our monetary assets are more than fifty percent of the net tangible assets for the financial year ended March 31, 2025; and (b) our Company had an operating loss during the financial year ended March 31, 2023 and are therefore required to meet the conditions detailed in Regulation 6(2) of the SEBI ICDR Regulations.

We are therefore required to allot not less than 75% of the Net Offer to QIBs to meet the conditions as detailed under Regulation 6(2) of the SEBI ICDR Regulations. Provided that in accordance with Regulation 40(3) of the SEBI ICDR Regulations, the QIB Portion will not be underwritten by the Underwriters, pursuant to the Underwriting Agreement. Further, not more than 15% of the Net Offer shall be available for allocation to NIBs of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹1.00 million provided that under-subscription in either of these two sub-categories of the Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not more than 10% of the Net Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. In the event we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

Our Company shall not make an Allotment if the number of prospective Allottees is less than 1,000 in accordance with Regulation 49(1) of the SEBI ICDR Regulations and other applicable law. Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the conditions specified in Regulations 5 and 7(1), to the extent applicable, of the SEBI ICDR Regulations and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

The status of compliance of our Company with the conditions as specified under Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

- (i) Our Company, our Promoters, members of the Promoter Group, our Directors and each of the Selling Shareholders, severally and jointly, confirm that they are not debarred from accessing the capital markets by SEBI;
- (ii) The companies with which our Promoters or Directors are associated as a promoter or director are not debarred from accessing the capital markets by SEBI;
- (iii) None of our Company, Promoters or our Directors are a Wilful Defaulter or Fraudulent Borrower;
- (iv) None of our Promoters or Directors have been declared as a Fugitive Economic Offender, to the extent applicable;
- (v) Except employee stock options granted pursuant to the ESOP Schemes, there are no outstanding convertible securities of our Company or any other rights to convert debentures, loans or other instruments into, or which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus;

- (vi) Our Company along with Registrar to the Offer has entered into tripartite agreements dated July 9, 2025, and July 19, 2025, with NSDL and CDSL, respectively, for dematerialisation of the Equity Shares;
- (vii) The Equity Shares held by our Shareholders are in dematerialised form, as on the date of this Draft Red Herring Prospectus;
- (viii) All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus; and
- (ix) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable accruals.

Each of the Selling Shareholders, severally and not jointly, confirms that the Equity Shares offered by them as part of the Offer for Sale have been held in compliance with Regulations 8 and 8A of the SEBI ICDR Regulations and that they are the legal and beneficial owners of the Offered Shares.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”) SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS AND EACH SELLING SHAREHOLDERS WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF AND ITS RESPECTIVE PORTION OF THE OFFERED SHARES. THE BOOK RUNNING LEAD MANAGERS, BEING JM FINANCIAL LIMITED AND MOTILAL OSWAL INVESTMENT ADVISORS LIMITED (“BRLMS”), HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE BIDDERS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS AND EACH OF THE SELLING SHAREHOLDERS, SEVERALLY AND NOT JOINTLY WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF AND ITS RESPECTIVE PORTION OF THE OFFERED SHARES, THE BRLMS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED OCTOBER 15, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLMS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All applicable legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the Registrar of Companies in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of filing of the Prospectus with the Registrar of Companies in terms of sections 26, 32, 33(1) and 33(2) of the Companies Act, 2013.

Disclaimer from our Company, the Directors, the Selling Shareholders and BRLMs

Our Company, the Directors, each of the Selling Shareholders, severally and not jointly, and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our Company's

website www.duroflexworld.com, or the respective websites (as applicable) of our Promoters, Promoter Group, any affiliate of our Company or any of the Selling Shareholders or the BRLMs would be doing so at their own risk.

Each of the Selling Shareholders, its respective directors, affiliates, partners, associates agents, designated partners, trustees, and officers, accept no responsibility for any statements made or undertakings provided other than those specifically confirmed or undertaken by such Selling Shareholder, and only in relation to itself and/or its respective Offered Shares and included in this Draft Red Herring Prospectus and anyone placing reliance on any other source of information, including advertisements, or any other material issued by or at our Company's instance, our Company's website at www.duroflexworld.com or any affiliate of our Company or the respective websites of any of the Selling Shareholders or the BRLMs, would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement, and as will be provided for in the Underwriting Agreement.

All information, to the extent required in relation to the Offer, shall be made available by our Company, each of the Selling Shareholders (with respect to itself and its respective portion of the Offered Shares) and the BRLMs to the Bidders and the public at large and no selective or additional information would be made available for a section of the Bidders in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, each of the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates, trustees and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, each of the Selling Shareholders and the Underwriters and each of their respective directors, officers, agents, affiliates, trustees and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, each of the Selling Shareholders, and their respective directors and officers, partners, trustees, affiliates, associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, each of the Selling Shareholder, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Disclaimer in respect of jurisdiction

The Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, as amended, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs and AIFs that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Bengaluru, Karnataka, India only.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with the SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be issued, directly or indirectly, and the Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any offer or sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or each of the Selling Shareholders (severally and not jointly) since the date of this Draft Red Herring Prospectus or that the information contained herein is correct as at any time subsequent to this date. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum

for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Eligibility and transfer restrictions

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.

Eligible Investors

The Equity Shares are being offered:

- outside the United States in “offshore transactions” as defined in, and in reliance on, Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales are made;

and in each case who are deemed to have made the representations set forth immediately below.

Each purchaser that is acquiring the Equity Shares offered pursuant to the Offer outside the United States, by its acceptance of this Draft Red Herring Prospectus the Red Herring Prospectus and the Prospectus and of the Equity Shares offered pursuant to the Offer, will be deemed to have acknowledged, represented and warranted to and agreed with our Company, each of the Selling Shareholders and the Book Running Lead Managers that it has received a copy of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorised to consummate the purchase of the Equity Shares offered pursuant to the Offer in compliance with all applicable laws and regulations;
2. the purchaser acknowledges that the Equity Shares offered pursuant to the Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of or other jurisdiction of the United States and accordingly, may not be offered, resold, pledged or transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
3. the purchaser is purchasing the Equity Shares offered pursuant to the Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;
4. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to the Offer, was located outside the United States at the time (i) the offer for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;
5. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate of the Company;
6. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred, only (a) in an “offshore transaction” complying with Rule 903 or Rule 904 of Regulation S; and (b) in accordance with all applicable laws, including the state securities laws in the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;
7. the purchaser agrees that neither the purchaser nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make of any “directed selling efforts” as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;

8. our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and
9. the purchaser acknowledges that our Company, each of the Selling Shareholders, the Book Running Lead Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, each of the Selling Shareholders and the Book Running Lead Managers, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any offshore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Listing

The Equity Shares offered through the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/Offer Closing Date or such other time as prescribed by SEBI. If our Company does not Allot Equity Shares pursuant to the Offer within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period or such other rate prescribed by SEBI.

Consents

Consents in writing of each of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, legal counsel to our Company as to Indian law, Bankers to our Company, the BRLMs, Registrar to the Offer, TKC, independent chartered accountants and Statutory Auditor, independent chartered engineer, architect, IP consultant in their respective capacities, have been obtained, and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus. Further, consents in writing of the Syndicate Members, Escrow Collection Bank(s)/ Refund Bank(s)/ Public Offer Account/ Sponsor Bank(s) to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for filing with the RoC.

Experts to the Offer

Except as disclosed below, our Company has not obtained any expert opinions:

Our Company has received written consent dated October 15, 2025, from our Statutory Auditor, namely, B S R & Co. LLP, Chartered Accountants, holding a valid peer review certificate from the ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of their (i) examination report, dated October 11, 2025 on our Restated Consolidated Financial Information; and (ii) the

statement of special tax benefits dated October 15, 2025 included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated October 14, 2025, from P K Shah & Co, Chartered Accountants, holding a valid peer review certificate from the ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of various certificates issued by them in their capacity as the independent chartered accountant to our Company and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received a written consent dated October 15, 2025, from L. R. Swami Co., intellectual property consultant, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an intellectual property consultant; and a certificate dated October 15, 2025, from L. R. Swami Co., certifying, *inter alia*, details of intellectual properties applications and registrations in our name. Such consent has not been withdrawn as on the date of this DRHP.

Our Company has received a written consent dated October 15, 2025, from Architects IN, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an Independent Architect; and certificate dated October 15, 2025, from Architects IN, certifying, *inter alia*, average area of COCO Stores opened and the capital expenditure incurred on the COCO Stores opened during the last three Financial Years and the three months period ended June 30, 2025, and expenses which are proposed to be incurred by the Company towards setting up of new COCO Stores. Such consent has not been withdrawn as on the date of this DRHP.

Our Company has received a written consent dated October 15, 2025, from Praveen Subramanya, on behalf of AJVA SP Appraisal Services Private Limited, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an Independent Chartered Engineer, certifying, *inter alia*, the details of the installed production capacity of our manufacturing facilities. Such consent has not been withdrawn as on the date of this DRHP.

It is clarified that the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Particulars regarding public or rights issues during the last five years

Other than as disclosed in “*Capital Structure - Notes to the capital structure - Share capital history of our Company - (a) Equity share capital*” on page 86, our Company has not made any rights issue of Equity Shares during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Further, since this is the initial public offer of our Company’s Equity Shares and therefore the company has not made any public issue of its Equity Shares during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Particulars regarding capital issues by our Company and its listed subsidiaries, group companies and associate entities during the last three years

Other than as disclosed in “*Capital Structure - Notes to capital structure - Share capital history of our Company - (a) Equity share capital*” on page 86, our Company has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus.

As on the date of this Draft Red Herring Prospectus, our Company does not have any listed Group Companies or any listed Subsidiaries. Our Company does not have any associate companies.

Commission and Brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the initial public offer of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the last five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – public/rights issue of the listed subsidiaries and listed promoters

As on date of this Draft Red Herring Prospectus, our Company does not have a listed Subsidiary, and we have no corporate promoters.

Price information of past issues handled by the BRLMs

I. JM Financial Limited

1. Price information (during the current Financial Year and two Financial Years preceding the current Financial Year) of past issues handled by JM Financial Limited:

Sr. No.	Issue name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180 th calendar days from listing
1.	Wework India Management Limited ^{*8}	29,996.43	648.00	October 10, 2025	650.00	Not Applicable	Not Applicable	Not Applicable
2.	Urban Company Limited ^{*12}	19,000.00	103.00	September 17, 2025	162.25	Not Applicable	Not Applicable	Not Applicable
3.	Vikram Solar Limited [*]	20,793.69	332.00	August 26, 2025	338.00	-1.48% [1.40%]	Not Applicable	Not Applicable
4.	JSW Cement Limited [*]	36,000.00	147.00	August 14, 2025	153.50	1.17% [1.96%]	Not Applicable	Not Applicable
5.	Brigade Hotel Ventures Limited ^{*11}	7,596.00	90.00	July 31, 2025	81.10	-3.22% [-1.38%]	Not Applicable	Not Applicable
6.	GNG Electronics Limited [*]	4,604.35	237.00	July 30, 2025	355.00	42.55% [-1.42%]	Not Applicable	Not Applicable
7.	Indique Spaces Limited ^{*7}	7,000.00	237.00	July 30, 2025	216.00	-9.64% [-1.42%]	Not Applicable	Not Applicable
8.	Anthem Biosciences Limited ^{#9}	33,950.00	570.00	July 21, 2025	723.10	43.54% [-0.68%]	Not Applicable	Not Applicable
9.	Smartworks Coworking Spaces Limited ^{*10}	5,825.55	407.00	July 17, 2025	435.00	11.79% [-1.91%]	32.85%[0.14%]	Not Applicable
10.	HDB Financial Services Limited [*]	1,25,000.00	740.00	July 2, 2025	835.00	2.51% [-2.69%]	1.10%[-3.22%]	Not Applicable

Source: www.nseindia.com and www.bseindia.com

BSE as Designated Stock Exchange

* NSE as Designated Stock Exchange

Notes:

1. Opening price information as disclosed on the website of the Designated Stock Exchange.
2. Change in closing price over the issue/offer price as disclosed on Designated Stock Exchange.
3. For change in closing price over the closing price as on the listing date, the CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.
4. In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.
5. 30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken as listing date plus 179 calendar days.
6. Restricted to last 10 issues.
7. A discount of Rs. 22 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.
8. A discount of Rs. 60 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.
9. A discount of Rs. 50 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.
10. A discount of Rs. 37 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.
11. A discount of Rs. 3 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.
12. A discount of Rs. 9 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.

2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by JM Financial Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ million)	Nos. of IPOs trading at discount on as on 30 th calendar days from listing date			Nos. of IPOs trading at premium on as on 30 th calendar days from listing date			Nos. of IPOs trading at discount as on 180 th calendar days from listing date			Nos. of IPOs trading at premium as on 180 th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2025-2026	16	397,868.63	-	1	6	-	3	4	-	-	-	-	-	-
2024-2025	13	255,434.10	-	-	5	5	2	1	1	3	1	4	1	2
2023-2024	24	288,746.72	-	-	7	4	5	8	-	-	5	7	5	7

* The information is as on the date of the document.

II. Motilal Oswal Investment Advisors Limited

- Price information (during the current Financial Year and two Financial Years preceding the current Financial Year) of past issues handled by Motilal Oswal Investment Advisors Limited:

Sr. No.	Issue name	Designated stock exchange	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	Jain Resource Recycling Ltd	NSE	12,500.00	232.00	October 01, 2025	265.05	Not applicable	Not applicable	Not applicable
2.	Epack Prefab Technologies Ltd	NSE	5,040.00	204.00	October 01, 2025	183.85	Not applicable	Not applicable	Not applicable
3.	Jaro Institute of Technology Management & Research Ltd	NSE	4,500.00	890.00	September 30, 2025	890.00	Not applicable	Not applicable	Not applicable
4.	Atlanta Electricals Limited&&	BSE	6,873.41	754.00	September 29, 2025	858.10	Not applicable	Not applicable	Not applicable
5.	Ganesh Consumer Products Limited**	BSE	4,087.98	322.00	September 29, 2025	295.00	Not applicable	Not applicable	Not applicable
6.	Saatvik Green Energy Limited&	BSE	9,001.97	465.00	September 26, 2025	460.00	Not applicable	Not applicable	Not applicable
7.	Ivalue Infosolutions Limited	NSE	5,602.95	299.00	September 25, 2025	284.95	Not applicable	Not applicable	Not applicable
8.	Gem Aromatics Limited	NSE	4,512.50	325	August 28, 2025	333.10	-20.37% [1.40%]	Not applicable	Not applicable
9.	Sri Lotus Developers and Realty Limited###	NSE	7,920.00	150.00	August 06, 2025	178.00	21.84% [0.65%]	Not applicable	Not applicable
10.	National Securities Depository Limited\$\$	BSE	40,109.54	800.00	August 06, 2025	880.00	54.48% [0.22%]	Not applicable	Not applicable

Source: www.nseindia.com and www.bseindia.com

Notes:

1. The S&P CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index, depending upon the designated stock exchange.

2. Price is taken from NSE or BSE, depending upon Designated Stock Exchange for the above calculations.

3. The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th days

4. Not applicable – Period not completed.

&& A discount of ₹ 70 per equity share was provided to eligible employees bidding in the employee reservation portion.

** A discount of ₹ 30 per equity share was provided to eligible employees bidding in the employee reservation portion.

& A discount of ₹ 44 per equity share was provided to eligible employees bidding in the employee reservation portion.

A discount of ₹ 14 per equity share was provided to eligible employees bidding in the employee reservation portion.

\$\$ A discount of ₹ 76 per equity share was provided to eligible employees bidding in the employee reservation portion.

- Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Motilal Oswal Investment Advisors Limited:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2025-2026	15	278,682.66	-	-	2	2	2	2	-	-	-	-	-	-
2024-2025	7	108,359.23	-	-	2	1	-	4	-	1	1	-	1	4
2023-2024	7	62,714.73	-	-	2	-	1	4	-	-	2	-	2	3

The information for each of the financial years is based on issues listed during such financial year.

Notes: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

Data for number of IPOs trading at premium/discount taken at closing price on NSE or BSE on the respective date, depending upon the Designated Stock Exchange.

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in the SEBI circular dated January 10, 2012, bearing reference number CIR/MIRSD/1/2012, see the websites of the BRLMs, as provided in the table below.

Sr. No.	Name of the BRLM	Website
1.	JM Financial Limited	www.jmfl.com
2.	Motilal Oswal Investment Advisors Limited	www.motilaloswalgroup.com

For further details in relation to the BRLMs, see “General Information – Book Running Lead Managers” on page 78.

Stock Market Data of Equity Shares

This being the initial public offer of Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, to enable the Bidders to approach the Registrar to the Offer for redressal of their grievances.

In terms of the SEBI ICDR Master Circular and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the Bidders shall be compensated by the SCSBs in accordance with the SEBI ICDR Master Circular in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications, for the stipulated period and such compensation to Bidders shall be computed from T+3 day. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the SCSBs and the Book Running Lead Managers shall compensate the Bidders at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay, in terms of the SEBI ICDR Master Circular. Further, in terms of the SEBI ICDR Master Circular, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

All Offer-related grievances, other than for Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidders’ DP ID, Client ID, UPI ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism) and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

In terms of the SEBI ICDR Master Circular, in case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher, for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

The following compensation mechanism has become applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and	From the date on which multiple amounts were blocked - Till the date of actual unblock

Scenario	Compensation amount	Compensation period
	2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock.
Delayed unblock for non – Allotted / partially Allotted applications.	₹100 per day or 15% per annum of the Bid Amount, whichever is higher.	Three Working Days after Bid/Offer Closing Date - Till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the post-Offer BRLM shall be liable to compensate the investor at the rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the Selling Shareholders, severally and not jointly, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the applicable provisions of SEBI ICDR Regulations.

For helpline details of the Book Running Lead Managers pursuant to the SEBI ICDR Master Circular, see “*General Information – Book Running Lead Managers*” on page 78.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

All grievances relating to Bids submitted with Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Bidders can contact our Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Disposal of investor grievances by our Company

Our Company shall, after filing of this Draft Red Herring Prospectus, obtain authentication on the SCORES in terms of the SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 read with SEBI circular bearing reference number SEBI/HO/OIAE/IGRD/CIR/P/2023/183 dated December 1, 2023, in relation to redressal of investor grievances through SCORES.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be 15 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has not received any investor grievances in the last three Financial Years prior to the filing of this Draft Red Herring Prospectus. As at the date of this Draft Red Herring Prospectus there are no outstanding investor grievances.

Our Company has also appointed Solly Mathew, as the Company Secretary and Compliance Officer for the Offer. For further details, see “*General Information*” on page 76.

Our Company has constituted a Stakeholders Relationship Committee comprising Pawan Agarwal, Chairman, Jacob Joseph George and Mathew Antony Joseph, as members. For details, see “*Our Management – Committees of our Board - Stakeholders Relationship Committee*” on page 253.

Exemption from complying with any provisions of SEBI ICDR Regulations

Our Company has not applied for or received any exemption from the SEBI from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

Other confirmations

No person connected with the Offer shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Offer, except for fees or commission for services rendered in relation to the Offer.

There is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of the Company) and the Company, Promoters, Promoter Group, Subsidiaries, Group Companies, Key Managerial Personnel and Directors.

There is no conflict of interest between the lessor of immovable properties and the Company, Promoters, Promoter Group, Subsidiaries, Group Companies, Key Managerial Personnel and Directors.

There has been no instance of issuance of equity shares in the past by the Company or entities forming part of the Promoter Group to more than 49 or 200 investors in violation of:

Section 67(3) of Companies Act, 1956; or

1. Relevant section(s) of Companies Act, 2013, including Section 42 and the rules notified thereunder; or
2. The SEBI ICDR Regulations; or
3. The SEBI (Disclosure and Investor Protection) Guidelines, 2000, as applicable.

SECTION IX: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, offered and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, SEBI Listing Regulations, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ Allotment Advice and other terms and conditions as may be incorporated in other documents/ certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital, offer for sale and listing and trading of securities, issued from time to time, by SEBI, the GoI, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the GoI, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

The Offer

The Offer comprises of a Fresh Issue by our Company and an Offer for Sale by each of the Selling Shareholders. For details in relation to the sharing of Offer expenses amongst our Company and the Selling Shareholders, see “*Objects of the Offer – Offer Related Expenses*” on page 125.

Ranking of the Equity Shares

The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares transferred in the Offer shall be *pari passu* with the existing Equity Shares in all respects including dividends. For further details, see “*Description of Equity Shares and Terms of Articles of Association*” on page 453.

Mode of payment of dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association, dividend distribution policy of our Company, and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted or transferred Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details in relation to dividends, see “*Dividend Policy*” and “*Description of Equity Shares and Terms of Articles of Association*” on pages 268 and 453, respectively.

Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹1 and the Offer Price at the lower end of the Price Band is ₹[●] per Equity Share and at the higher end of the Price Band is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Offer Price, Price Band and the minimum Bid Lot for the Offer will be decided by our Company, in consultation with the BRLMs in compliance with the SEBI ICDR Regulations, and published and advertised in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and all edition of [●], a Malayalam daily newspaper, Malayalam being the regional language of Kerala, where our Registered Office is located, each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Offer Price shall be determined by our Company, in consultation with the Book Running Lead Managers, after the Bid/Offer Closing Date.

At any given point of time, there shall be only one denomination for the Equity Shares, unless otherwise permitted by law.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles of Association, our equity Shareholders shall have the following rights:

- Right to receive dividends, if declared;

- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, the SEBI Listing Regulations and the Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture lien, transfer, transmission and/or consolidation/splitting, see “*Description of Equity Shares and Terms of Articles of Association*” on page 453.

Allotment of Equity Shares only in dematerialised form

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations and the SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Offer:

- Tripartite agreement dated July 9, 2025 amongst our Company, NSDL and Registrar to the Offer; and
- Tripartite agreement effective as of July 19, 2025 amongst our Company, CDSL and Registrar to the Offer.

For details in relation to the Basis of Allotment, see “*Offer Procedure*” on page 432.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of [●] Equity Share subject to a minimum Allotment of [●] Equity Shares. For further details, see “*Offer Procedure*” on page 432.

Joint Holders

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Period of operation of subscription list

See “– *Bid/ Offer Programme*” on page 424.

Jurisdiction

The courts of Bengaluru, Karnataka, India will have exclusive jurisdiction in relation to this Offer.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Nomination facility to Bidders

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the Sole Bidder, or the First Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of Sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is modified or cancelled in the

prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or modified by nominating any other person in place of the present nominee, by the holder of the Equity Shares who made the nomination, by giving a notice of such cancellation or variation to our Company. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Bid/ Offer programme

BID/OFFER OPENS ON	[●]⁽¹⁾
BID/OFFER CLOSES ON	[●]⁽²⁾

⁽¹⁾ Our Company may, in consultation with the BRLMs consider participation by Anchor Investors. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations.

⁽²⁾ Our Company, in consultation with the BRLMs may, consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations and UPI mandate end time and date shall be at 5.00 p.m. on Bid/Offer Closing Date i.e. [●].

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/Offer Closing Date	On or about [●] (T)
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●] (T+1)
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about [●] (T+2)
Credit of Equity Shares to dematerialized accounts of Allottees	On or about [●] (T+2)
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●] (T+3)

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked; (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The post Offer BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. The Bidder shall be compensated in the manner specified in the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable, issued by SEBI, and any other applicable law in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. RIBs and individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, any of the Selling Shareholders or the BRLMs.

Any circulars or notifications from the SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days from the Bid/Offer Closing Date or such other time as prescribed by SEBI, the timetable may be extended due to various factors, such as extension of the Bid/ Offer Period by our Company, in consultation with the BRLMs, revision of the Price Band by our Company in consultation with the BRLMs, or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each of the Selling Shareholders, severally and not jointly confirm that they shall extend such reasonable support and co-operation as may be required under Applicable Law or reasonably requested by our Company and/or the BRLMs, solely in relation to it and the Offered Shares, to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within such time prescribed by SEBI.

The Registrar to the Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/ Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the Registrar to the Offer on a daily basis in accordance with the SEBI RTA Master Circular and the SEBI ICDR Master Circular.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within such period as may be prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. Indian Standard Time ("IST")
Bid/Offer Closing Date	
Submission of Bids	Electronic Applications i. Online ASBA through 3-in-1 accounts – Only between 10.00 a.m. and 5.00 p.m. IST. Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹0.5million – Only between 10.00 a.m. and 4.00 p.m. IST. i. Syndicate Non-Retail, Non-Individual Applications – Only between 10.00 a.m. and 3.00 p.m. IST Physical Applications i. Bank ASBA – Only between 10.00 a.m. and 1.00 p.m. IST. Syndicate Non-Retail, Non-Individual Applications of QIBs and NIIs where Bid Amount is more than ₹0.50 million – Only between 10.00 a.m. and 12.00 p.m. IST and Syndicate members shall transfer such applications to banks before 1 p.m. IST.
Modification/ Revision/cancellation of Bids	
Modification of Bids by QIBs and Non-Institutional Bidders categories and modification/cancellation of Bids by Retail Individual Bidders ^{##}	Only between 10.00 a.m. and 5.00 p.m. IST
Upward Revision of Bids by QIBs and Non-Institutional Investors categories ^{##}	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 4.00 p.m. IST on Bid/Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIIs	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 5.00 p.m. IST on Bid/Offer Closing Date

[#] UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

^{##} QIBs and Non-Institutional Bidders can neither revise their Bids downwards nor cancel/withdraw their Bids.

On the Bid/ Offer Closing Date, the Bids shall be uploaded until:

- (i) 4.00 p.m. IST in case of Bids by QIBs and NIBs, and
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid/ Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by RIBs after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the Book Running Lead Managers and the RTA on a daily basis, as per the format prescribed in SEBI ICDR Master Circular. To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and in any case no later than 1:00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids and any revision in Bids will be accepted only during Working Days during the Bid/ Offer Period. Bidders may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE, respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/ Offer Period till 5:00 pm on the Bid/ Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Our Company, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/ Offer Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. In all circumstances, the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price. The Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

In case of discrepancy in data entered in the electronic book vis-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

In the event our Company does not receive a minimum subscription of 90% of the Fresh Issue on Bid / Offer Closing Date, or a subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within sixty (60) days from the date of Bid Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law. If there is a delay beyond four days, our Company and every Director of our Company who is an officer in default, to the extent applicable, shall pay interest as prescribed under applicable law.

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, the Allotment for the balance valid Bids will be made first towards all the Offered Shares, and subsequently towards the balance 10% of the Fresh Issue portion.

Undersubscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories at the discretion of our Company and Selling Shareholders, in consultation with the Book Running Lead Managers, and the Designated Stock Exchange.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

The Selling Shareholders shall reimburse any expenses and interest incurred by our Company on behalf of them for any delays in making refunds as required under the Companies Act and any other applicable law, provided that the Selling Shareholders shall not be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of the Selling Shareholders and any expenses and interest shall be paid to the extent of their respective portion of the Offered Shares.

Arrangements for disposal of odd lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

Withdrawal of the Offer

Our Company in consultation with the BRLMs, and the Selling Shareholders, reserve the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid / Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid / Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company and the BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank(s) to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company, in consultation with the Book Running Lead Managers, withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that they will proceed with a public offering of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges. Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law.

Restrictions, if any on transfer and transmission of Equity Shares

Except for the lock-in of the pre-Offer Equity Share capital of our Company and the Anchor Investor lock-in as provided in “*Capital Structure*” on page 85, and except as provided in our Articles of Association as detailed in “*Description of Equity Shares and Terms of Articles of Association*” on page 453 there are no restrictions on transfer and transmission of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the Articles of Association. For details, see “*Description of Equity Shares and Terms of Articles of Association*” on page 453.

OFFER STRUCTURE

The Offer is being made through the Book Building Process. The Offer is of up to [●] Equity Shares of face value ₹1 each for cash at a price of ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating up to ₹[●] million comprising of a Fresh Issue of up to [●] Equity Shares of face value ₹1 each aggregating up to ₹ 1,836.00 million by our Company and an Offer of Sale of up to 22,564,569 Equity Shares of face value ₹1 each aggregating up to ₹[●] million by the Selling Shareholders. For further details, see “*The Offer*” on page 69.

Our Company, in consultation with the Book Running Lead Managers, may consider Pre-IPO Placement aggregating up to ₹367.20 million, as may be permitted under the applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the allotment of the Equity Shares issued pursuant to the Pre-IPO Placement will be done towards the general corporate purposes portion of the Objects of the Offer, unless auditor certified disclosures are made with regards to its utilization towards the disclosed specific Objects of the Offer. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

The Offer includes a reservation of up to [●] Equity Shares of face value ₹1 each aggregating to ₹[●] million for subscription by Eligible Employees. The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital.

The Offer comprises a Net Offer of up to [●] Equity Shares of face value ₹1 each.

The Offer and Net Offer shall constitute [●]% and [●]%, respectively, of the post-Offer paid-up Equity Share capital of our Company.

The Offer is being made through Book Building Process, in compliance with Regulation 6(2) of the SEBI ICDR Regulations as our Company does not meet the requirement specified under Regulation 6(1) of the SEBI ICDR Regulations and relevant provisions of the Companies Act. For further details, please refer to “*Other Regulatory and Statutory Disclosures – Eligibility for the Offer*” on page 409.

Particulars	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors	Eligible Employees
Number of Equity Shares available for Allotment/allocation ^{^(2)}	Not less than [●] Equity Shares of face value ₹1 each	Not more than [●] Equity Shares of face value ₹1 each available for allocation or Net Offer less allocation to QIBs and Retail Individual Investors	Not more than [●] Equity Shares of face value ₹1 each available for allocation or Net Offer less allocation to QIBs and Non-Institutional Investors	Not more than [●] Equity Shares of face value ₹1 each aggregating up to ₹[●] million
Percentage of Offer Size available for Allotment or allocation	Not less than 75% of the Net Offer size shall be available for allocation to QIBs. 5% of Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs.	Not more than 15% of the Net Offer or the Net Offer less allocation to QIB Bidders and Retail Individual Investors will be available for allocation out of which: (a) One-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size exceeding ₹0.20 million and up to ₹1.00 million; and (b) two-thirds of the Non-Institutional Portion will be available for allocation to Bidders	Not more than 10% of the Net Offer or the Net Offer less allocation to QIBs and Non-Institutional Investors	The Employee Reservation Portion constitutes up to [●]% of the post-Offer paid-up equity share capital of our Company

Particulars	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors	Eligible Employees
		with an application size of more than ₹1.00 million Under-subscription in either of these two subcategories of the Non-Institutional Portion may be allocated to Bidders in the other subcategory of the Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price		
Basis of Allotment if respective category is oversubscribed [^]	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares of face value ₹1 each shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares of face value ₹1 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above (c) Up to 60% of the QIB portion (of up to [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Portion, shall be subject to the following: (a) One-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size exceeding ₹0.20 million and up to ₹1.00 million; and (b) Two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹1.00 million Provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors. The Allotment to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability in the Non-Institutional Portion, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in the SEBI ICDR Regulations	Allotment to each Retail Individual Investor shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares shall be allocated on a proportionate basis. See “Offer Procedure” on page 432.	Proportionate; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹0.20 million. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for a value exceeding ₹0.20 million up to ₹0.50 million each

Particulars	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors	Eligible Employees
Mode of Bidding*	Through ASBA (excluding the UPI Mechanism) process only except for Anchor Investors	Through ASBA process only (including the UPI Mechanism for an application size of up to ₹0.50 million)	Through ASBA process only (including the UPI Mechanism)	Through ASBA process only (including the UPI Mechanism)
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹0.20 million	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹0.20 million	[●] Equity Shares of face value ₹1 each and in multiples of [●] Equity Shares of face value of ₹1 each	[●] Equity Shares of face value ₹1 each and in multiples of [●] Equity Shares of face value of ₹1 each
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Net Offer size (excluding Anchor Investor portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Offer size (excluding the QIB Portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹0.20 million	Such number of Equity Shares and in multiples of [●] Equity Shares so that the maximum Bid Amount by each Eligible Employee in this portion does not exceed ₹0.50 million
Mode of Allotment	Compulsorily in dematerialised form			
Bid Lot	[●] Equity Shares of face value ₹1 each and in multiples of [●] Equity Shares thereafter			
Allotment Lot	[●] Equity Shares of face value ₹1 each and in multiples of one Equity Share thereafter	[●] Equity Shares of face value ₹1 each and in multiples of one Equity Share thereafter However, allotment shall not be less than the minimum Non-Institutional application size.	[●] Equity Shares of face value ₹1 each and in multiples of one Equity Share thereafter	[●] Equity Shares and in multiples of one Equity Share thereafter
Trading Lot	One Equity Share			
Who can Apply ⁽³⁾	Public financial institutions specified in Section 2(72) of the Companies Act, 2013, FPIs registered with SEBI (other than individuals, corporate bodies and family offices), scheduled commercial banks, mutual funds registered with SEBI, venture capital funds registered with the SEBI, FVCIs, registered with SEBI, AIFs, multilateral and bilateral development financial institutions, state industrial development corporations, NBFC-SI, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of ₹250.00 million, pension funds with a minimum corpus of ₹250.00 million, the National Investment Fund set up by Government of India, insurance funds set up and managed by the army, navy, or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial	Resident Indian individuals, HUFs (in the name of Karta), companies, corporate bodies, Eligible NRIs, scientific institutions, societies and trusts family offices and FPIs who are individuals, corporate bodies and family offices which are re-categorised as category II FPI (as defined in the SEBI FPI Regulations) and registered with SEBI	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs such that the Bid amount does not exceed ₹0.2 million in value	Eligible Employees such that the Bid Amount does not exceed ₹0.50 million

Particulars	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors	Eligible Employees
	Companies, in accordance with applicable laws including FEMA Rules			
Terms of Payment	In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids⁽⁴⁾ In case of all other Bidders: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidders, or by the Sponsor Bank(s) through the UPI Mechanism (other than Anchor Investors) that is specified in the Bid cum Application Form at the time of the submission of the Bid cum Application Form.			

- ⁽¹⁾ Assuming full subscription in the Offer
- * SEBI vide its SEBI ICDR Master Circular has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. Retail, QIB, NII and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.
- ⁽¹⁾ Our Company may in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50.00 million per Anchor Investor, and (iii) in case of allocation above ₹2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500.00 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof will be permitted, subject to minimum allotment of ₹50.00 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹100.00 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors, which price shall be determined by the Company, in consultation with the BRLMs.
- ⁽²⁾ This Offer is being made in accordance with Rule 19(2)(b) of the SCRR, through the Book Building Process, in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Offer will be available for allocation to QIBs on a proportionate basis, provided that the Anchor Investor Portion may be allocated on a discretionary basis. Further, not more than 15% of the Net Offer will be available for allocation to Non-Institutional Investors, of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size exceeding ₹0.20 million and up to ₹1.00 million and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹1.00 million and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not more than 10% of the Net Offer will be available for allocation to Retail Individual Investors in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in any category, except the QIB Portion, would be met with spill-over from any other category or categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to valid Bids being received at or above the Offer Price and in accordance with applicable laws. Under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.
- * Eligible Employees Bidding in the Employee Reservation portion can Bid up to a Bid Amount of ₹0.50 million. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹0.20 million. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. Eligible Employee can also apply under Retail Portion. However, Bids by Eligible Employees in the Employee Reservation Portion and in the Non-Institutional Portion shall be treated as multiple Bids, only if Eligible Employee has made an application of more than ₹0.20 million in the Employee Reservation Portion. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion. For further details, please see "Terms of the Offer" on page 422.
- ⁽³⁾ In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.
- ⁽⁴⁾ Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see "Terms of the Offer" on page 422.

Bids by FPIs with certain structures as described under "Offer Procedure - Bids by FPIs" on page 439 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

OFFER PROCEDURE

All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The Bidders should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of Bidders eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and any subsequent circulars or notifications issued by SEBI in this regard, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective until June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by UPI Bidders through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had extended the timeline for implementation of UPI Phase II until further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”) and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023.

The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, had introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Subsequently, SEBI vide the SEBI RTA Master Circular, consolidated and rescinded the aforementioned circulars to the extent relevant for RTAs. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹0.50 million shall use the UPI Mechanism. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 (to the extent this circular is not rescinded), and SEBI Master Circular, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of Bidders (all categories). These circulars are effective to the extent not rescinded by the SEBI RTA Master Circular for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Draft Red Herring Prospectus.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and BRLMs shall continue to coordinate with intermediaries involved in the said process.

SEBI pursuant to the SEBI ICDR Master Circular has introduced the disclosure of audiovisual presentation of disclosures made in offer documents. Pursuant to the SEBI ICDR Master Circular, investors are advised not to rely on any other document, content or information provided in respect to the public issue on the internet/online websites/social media platforms/micro-blogging platforms by influencers. Further, investors are advised to rely only on the information contained in the offer document and price band advertisement for making investment decision.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, investors shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular, as amended, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

The Selling Shareholders do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

Further, our Company, each of the Selling Shareholders and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company in consultation with the BRLMs, shall allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, in accordance with Regulation 40(3) of the SEBI ICDR Regulations, the QIB Portion will not be underwritten by the Underwriters pursuant to the Underwriting Agreement. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to NIBs of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹0.20 million up to ₹1.00 million and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹1.00 million and undersubscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Further, not more than 10% of the Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Furthermore, up to [●] Equity Shares of face value ₹1 each, aggregating up to [●] million shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over proportionately from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories. The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges. However, Allotees may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, Equity Shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and

smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019, until March 31, 2019, or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, a RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase was applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

Phase III: This phase had become applicable on a voluntary basis for all issues opening on or after September 1, 2023, and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“**T+3 Notification**”) subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI. In this phase, the time duration from public issue closure to listing has been reduced to three Working Days.

The Offer will be made under UPI Phase III of the UPI Circular (on mandatory basis). The Offer will be advertised in all editions of [●], a widely circulated English national daily newspaper and in all editions of [●], a widely circulated Hindi national daily newspaper and in all editions of [●], a widely circulated Malayalam daily newspaper (Malayalam being the regional language of Kerala, where our Registered Office is located) each with wide circulation on or prior to the Bid/Offer Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint SCSBs as the Sponsor Bank(s) to act as conduits between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

Individual investors bidding under the Non-Institutional Portion bidding for more than ₹0.20 million and up to ₹0.50 million using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI ICDR Master Circular.

Pursuant to the SEBI ICDR Master Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the SEBI ICDR Master Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. Electronic copies of the Bid cum Application Forms will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process, which shall include the UPI Mechanism in case of UPI Bidders. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

UPI Bidders Bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected.

ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in their respective ASBA Accounts, or (ii) the UPI ID, as applicable in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. UPI Bidders using the UPI Mechanism may also apply through the mobile applications using the UPI handles as provided on the website of the SEBI.

Since the Offer is made under Phase III (on a mandatory basis), ASBA Bidders may submit the ASBA Form in the manner below:

- (i) RIBs (other than the UPI Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (ii) UPI Bidders using the UPI Mechanism may submit their ASBA Forms with the Syndicate, Sub-Syndicate Members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (iii) QIBs and NIBs (other than NIBs using UPI Mechanism) may submit their ASBA Forms with SCSBs, Syndicate, Sub-Syndicate Members, Registered Brokers, RTAs or CDPs.

The ASBA Bidders, including UPI Bidders, shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to the SEBI ICDR Master Circular.

Anchor Investors are not permitted to participate in the Offer through the ASBA process. For Anchor Investors, the Anchor Investor Application Form will be available with the BRLMs.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate Members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs (except UPI Bidders using the UPI Mechanism). ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank(s), as applicable at the time of submitting the Bid pursuant to the SEBI ICDR Master Circular.

For all initial public offerings opening on or after September 1, 2022, as specified in SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 (rescinded and replaced by the SEBI ICDR Master Circular), the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. This circular shall be applicable for all categories of investors, i.e. RIB, QIB, NIB and other reserved categories and also for all modes through which the applications are processed.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, NIBs, RIBs and Eligible NRIs applying on a non-repatriation basis ⁽¹⁾	[●]

Category	Colour of Bid cum Application Form*
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis ⁽¹⁾	[●]
Anchor Investors ⁽²⁾	[●]
Eligible Employees Bidding in the Employee Reservation Portion ⁽³⁾	[●]

* Excluding electronic Bid cum Application Forms

Notes:

⁽¹⁾ Electronic Bid cum Application forms and the Abridged Prospectus will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com)

⁽²⁾ Bid cum Application Forms for Anchor Investors shall be available at the office of the BRLMs

⁽³⁾ Bid cum Application Forms for Eligible Employees for Bidding in the Employee Reservation Portion shall be available at the Registered Office of the Company.

In case of ASBA forms, the relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges and the Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on application monies blocked. For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders using UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID / Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID / Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate the UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the Book Running Lead Managers for analysing the same and fixing liability.

For ensuring timely information to Bidders, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. In accordance with BSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date (“**Cut-Off Time**”). Accordingly, UPI Bidders Bidding through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification/cancellation of Bids (if any) shall be allowed in parallel during the Bid/Offer Period until the Cut-Off Time.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is required to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/ Offer Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in accordance the SEBI RTA Master Circular and the SEBI ICDR Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Pursuant to NSE circular dated August 3, 2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

- a. Cut-off time for acceptance of UPI Mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the offer and depository participants shall continue till further notice.
- b. There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued.
- c. Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5:00 pm on the initial public offer closure day.
- d. Exchanges shall display bid details of only successful ASBA blocked applications i.e. Application with latest status as RC 100 – Block Request Accepted by Investor/ Client.

Electronic registration of Bids

- a. The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer, subject to applicable laws.
- b. On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids until such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- c. Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given until 5:00 pm for Retail Individual Bidders and 4:00 pm for Non-Institutional Bidders and QIBs, on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.
- d. QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

Participation by the Promoters, Promote Group, the BRLMs, associates and affiliates of the BRLMs and the Syndicate Members and the persons related to the Promoters, Promoter Group, BRLMs and the Syndicate Member

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of Bidders, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the BRLMs or any associates of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs other than individuals, corporate bodies and family offices which are associates of the BRLMs) or pension fund sponsored by entities which are associate of the BRLMs nor; (ii) any person related to the Promoters or Promoter Group shall apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoters or Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoters or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of the BRLMs, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs. Further, persons related to our Promoters and Promoter Group shall not apply in the Offer under the Anchor Investor Portion.

Except to the extent of participation in the Offer for Sale by the Promoter Selling Shareholders, the Promoters and members of the Promoter Group will not participate in the Offer.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in Equity Shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or exchange traded fund or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form. In accordance with FEMA Non-debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity share capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity share capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant or such other limit as may be stipulated by RBI in each case, from time to time. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the members of the Indian Company in a general meeting. Pursuant to a resolution passed by the Board in its meeting dated October 11, 2025, the investment limit for NRIs and OCIs has been increased to 24% of the total paid-up Equity Share capital of our Company, on a fully diluted basis.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour). By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by a NRI or an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment.

For details of investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 451. Participation of Eligible NRIs shall be subject to the FEMA Non-debt Instruments Rules.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder/ applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or First Bidder/ applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids/ applications by HUFs will be considered at par with Bids/ applications from individuals.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below.

- 1) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the Book Running Lead Managers.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100 million.
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds subject to valid Bids being received from domestic Mutual Funds at or above Anchor Investor Allocation Price.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and will be completed on the same day.
- 5) Our Company in consultation with the Book Running Lead Managers will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and (c) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹50 million per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the Book Running Lead Managers before the Bid/ Offer Opening Date, through intimation to the Stock Exchanges.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
- 9) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment and the remaining 50% of the Equity Shares Allotted to Anchor Investors will be locked in for a period of 30 days from the date of Allotment.
- 10) Neither the Book Running Lead Managers or any associate of the Book Running Lead Managers (other than Mutual Funds sponsored by entities which are associates of the BRLMs or AIFs sponsored by entities which are associates of the BRLMs or FPIs (other than individuals, corporate bodies and family offices) which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs) shall apply in the Offer under the Anchor Investors Portion. For details, see “*Offer Procedure – Participation by the Promoters, Promoter Group, the BRLMs, associates and affiliates of the BRLMs and the Syndicate Members and the persons related to Promoters, Promoter Group, BRLMs and the Syndicate Members*” on page 437. Further, no person related to the Promoters or Promoter Group shall apply under the Anchor Investors category.
- 11) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, please read the General Information Document.

Bids by FPIs

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLMs, reserves the

right to reject any Bid without assigning any reason, subject to applicable laws.

To ensure compliance with the applicable limits, SEBI, pursuant to its master circular bearing reference number SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022 and the SEBI RTA Master Circular, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs/ FPI investor group who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for Offer procedure, as prescribed by SEBI from time to time.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi-investment manager structure, indicating the name of their respective investment managers in such confirmation;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it subject to, *inter alia*, the following conditions:

- (a) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents (in [●] colour).

Further, as specified in the General Information Document, Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure ("**MIM Structure**") in accordance with the SEBI master circular bearing reference number SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022, provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the names of their respective investment managers in such confirmations. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form “*exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus.*”

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the “**FPI Group**”) shall be below 10% of the total paid-up equity share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer equity share capital shall be liable to be rejected.

In terms of the SEBI FPI Regulations, the offer of Equity Shares to a single FPI or an investor group (which means multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our total paid-up Equity Share capital of our Company, on a fully diluted basis. Further, in terms of the FEMA Non-debt Instruments Rules, the total holding by each FPI, of an investor group, shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%).

For details of investment by FPIs, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 451. Participation of FPIs shall be subject to the FEMA Non-debt Instruments Rules.

All non-resident Bidders should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, each of the Selling Shareholders or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs. The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. While the SEBI VCF Regulations have since been repealed, the funds registered as VCFs under the SEBI VCF Regulations continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs. Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which are authorised under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs.

All non-resident Bidders should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA NDI Rules.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified

copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves.

The investment limit for banking companies in non-financial services companies as per the as per the Banking Regulation Act, 1949 ("**Banking Regulation Act**") and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. Further no bank shall hold along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid-up share capital engaged in non-financial services. However, this cap does not apply to the cases mentioned in (i) and (ii) above.

The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves. Bids by banking companies should not exceed the investment limits prescribed for them under the applicable laws.

The banking company is required to submit a time-bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make investment in a (i) subsidiary or a financial services company that is not a subsidiary (with certain exceptions prescribed); and (ii) non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in para 5(a)(v)(c)(i) of the Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with applicable law, including the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013, respectively. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024, based on investments in the Equity Shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies are entitled to invest only in other listed insurance companies and insurance companies participating in the Offer are advised to refer to the IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024, for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by provident funds/ pension funds

In case of Bids made by provident funds with minimum corpus of ₹250.00 million and pension funds with minimum corpus of ₹250.00 million, registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws, a certified copy of a certificate

from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserves the right to reject any Bid, without assigning any reason thereof.

Bids under power of attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, insurance companies, systemically important NBFCs, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable law) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLMs in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLMs may deem fit.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditors, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Offer.

The above information is given for the benefit of the Bidders. Our Company, each of the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus and the Prospectus, when filed.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the Acknowledgment Slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

Please note that QIBs and NIBs are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid/Offer Period.

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
3. Ensure that you have Bid within the Price Band;
4. Ensure that the PAN is linked with Aadhar in compliance with the circular no. 7 of 2022 dated March 30, 2022 issued by the Central Bureau of Direct Taxes;
5. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
6. Ensure that you (other than in the case of Anchor Investors) have mentioned the correct details of ASBA Account number (i.e. bank account number or UPI ID, as applicable) and PAN in the Bid cum Application Form if you are not an UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are an UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
7. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in the list available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time;
8. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;
9. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
10. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with the Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
11. Bidders not using the UPI Mechanism should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs or the relevant Designated Intermediary, as applicable;
12. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the First Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the ASBA Account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form (for all ASBA Bidders other than UPI Bidders Bidding using the UPI Mechanism);
13. Ensure that you request for and receive a stamped acknowledgement counterfoil or acknowledgement specifying the application number as a proof of having accepted Bid cum Application Form for all your Bid options from the concerned Designated Intermediary, if applicable;
14. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
15. UPI Bidders in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
16. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
17. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
18. RIBs not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;

19. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank(s), as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
20. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by Bidders who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act. The exemption for the Central or the State Government and officials appointed by the courts and for Bidders residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
21. Ensure that the Demographic Details are updated, true and correct in all respects;
22. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
23. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
24. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
25. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
26. Since the Allotment will be in dematerialised form only, ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the depository database;
27. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI;
28. UPI Bidders who wish to Bid using the UPI Mechanism, should submit Bid with the Designated Intermediaries, pursuant to which the UPI Bidder should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidder’s ASBA Account;
29. Anchor Investors should submit the Anchor Investor Application Forms to the BRLMs;
30. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. on the Bid/ Offer Closing Date;
31. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
32. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank(s) to block the Bid Amount mentioned in the Bid Cum Application Form;
33. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least

one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in); and

34. The ASBA bidders shall ensure that bids above ₹0.50 million, are uploaded only by the SCSBs.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the list available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
3. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
4. Do not Bid at Cut-off Price (for Bids by QIBs and NIBs);
5. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
6. Do not submit the Bid for an amount more than funds available in your ASBA account;
7. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
8. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
9. If you are a UPI Bidder and are using UPI Mechanism, do not submit more than one ASBA Form for each UPI ID;
10. Anchor Investors should not Bid through the ASBA process;
11. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
12. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
13. Do not submit the General Index Register (GIR) number instead of the PAN;
14. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
15. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
16. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
17. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
18. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
19. Do not Bid on another ASBA Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
20. Do not Bid for Equity Shares in excess of what is specified for each category;
21. If you are a QIB, do not submit your Bid after 3 p.m. on the Bid/Offer Closing Date (for online applications) and after 12:00 p.m. on the Bid/ Offer Closing Date (for physical applications);
22. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
23. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a NIB. RIBs can revise or withdraw their Bids on or before the Bid/ Offer Closing Date;
24. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres. If you are UPI Bidder and are using UPI Mechanism, do not submit the ASBA Form directly with SCSBs;

25. If you are an UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
26. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
27. Do not submit a Bid cum Application Form with a third-party UPI ID or using a third-party bank account (in case of Bids submitted by UPI Bidders using the UPI Mechanism);
28. Do not submit the Bid cum Application Forms to any non-SCSB bank;
29. Do not Bid for a Bid Amount exceeding ₹0.20 million (for Bids by Retail Individual Bidders);
30. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned in the list provided on the SEBI website is liable to be rejected;
31. Do not Bid if you are an OCB; and
32. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any Bids above ₹0.50 million.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/ dematerialised credit/refund orders/unblocking etc., Bidders can reach out to our Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, see “*General Information*” on page 76.

For helpline details of the BRLMs pursuant to the SEBI/HO/CFD/DIL-2/OW/P/2021/2481/1/M dated March 16, 2021, see “*General Information - Book Running Lead Managers*” on page 78.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; and (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The post Offer BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. The Bidder shall be compensated in the manner specified in the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchanges, along with the BRLMs and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares offered through the Red Herring Prospectus and the Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Offer to public may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the RIBs, NIBs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

The allotment of Equity Shares to each RIB shall not be less than the minimum Bid Lot, subject to the availability of shares in RIB Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Not more than 15% of the Offer shall be available for allocation to Non-Institutional Bidders. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment of Equity Shares to each NIB shall not be less than minimum application size, subject to the availability of Equity Shares in Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in the SEBI ICDR Regulations.

Payment into Escrow Account(s) for Anchor Investors

Our Company in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

- (a) In case of resident Anchor Investors: “[●]”
- (b) In case of Non-Resident Anchor Investors: “[●]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement amongst our Company, each of the Selling Shareholders, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC and at least two Working Days prior to the Bid/Offer Opening Date, publish a pre-Offer and Price Band advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and all editions of [●], a Malayalam daily newspaper (Malayalam being the regional language of Kerala, where our Registered Office is located), each with wide circulation.

In the pre-Offer and Price Band advertisement, we shall state the Bid/ Offer Opening Date, Floor Price, Price Band and the Bid/ Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment Advertisement

Our Company, the BRLMs and the Registrar to the Offer shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and all editions of [●], a Malayalam daily newspaper (Malayalam being the regional language of Kerala, where our Registered Office is located), each with wide circulation.

The Allotment advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from all the Stock Exchanges is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, then the Allotment advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, following the receipt of final listing and trading approval from all the Stock Exchanges.

The above information is given for the benefit of the Bidders/applicants. Our Company, each of the Selling Shareholders and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and the RoC Filing

- (a) Our Company, each of the Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement after the finalisation of the Offer Price but prior to the filing of Prospectus with the RoC.
- (b) After signing the Underwriting Agreement and finalisation of the Offer Price, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹1 million or one per cent of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within three Working Days from the Bid/Offer Closing Date or such other time as prescribed by SEBI under applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law for the delayed period;
- the funds required for making refunds/unblocking (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- except for any allotment of Equity Shares pursuant to exercise of vested options under the ESOP Schemes, no further issue of securities shall be made by our Company until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc;
- that if our Company and/or the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event our Company or the Selling Shareholders subsequently decide to proceed with the Offer;
- our Company, reserve the right not to proceed with the Offer, in whole or in part thereof, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as

may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed.

Undertakings by the Selling Shareholders

Each of the Selling Shareholder, severally and not jointly, in relation to itself as a Selling Shareholder and its respective portion of the Offered Shares undertakes that:

- the respective portion of Offered Shares shall be held by it in accordance with Regulation 8 and Regulation 8A of the SEBI ICDR Regulations;
- it is the legal and beneficial owner of Offered Shares;
- the Offered Shares shall be transferred to the Allottees free and clear of any encumbrances; and
- it shall not have access to the proceeds from the Offer for Sale until receipt of the final listing and trading approvals by our Company from the Stock Exchanges in accordance with applicable law.

Utilisation of Net Proceeds

Each of the Selling Shareholders, severally and not jointly, and together with our Company declare that all monies received out of the Offer for Sale shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

Our Board certifies that:

- (a) details of all monies utilised out of the Net Proceeds shall be disclosed, and continue to be disclosed till the time any part of the Net Proceeds proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- (b) all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act; and
- (c) details of all unutilised monies out of the Net Proceeds, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

Our Company will not receive any proceeds of the Offer for Sale by the Selling Shareholders.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the GoI and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991 unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“**FDI**”) through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India (“**DPIIT**”), issued the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Bidders are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Offer and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the FEMA Rules, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the GoI is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in the Offer. For further details, see “*Offer Procedure*” on page 432.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The aggregate limit for FPI investments shall be the sectoral cap applicable to our Company. In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. Our Company has, pursuant to a Board and Shareholders’ resolution each dated October 11, 2025, increased the limit of investment of NRIs and OCIs from 10% to up to 24% of the paid-up equity share capital of our Company, provided however that the shareholding of each NRI in our Company shall not exceed 5% of the Equity Share capital or such other limit as may be stipulated by RBI in each case, from time to time. In terms of the FEMA Rules and the FDI Policy, up to 100% foreign investment is currently permitted in a company engaged in manufacturing activities in India (including contract manufacturing in India).

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION X: DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. The main provisions of the Articles of Association of our Company are detailed below. No material clause of the Articles of Association having bearing on the Offer or the disclosures required in this Draft Red Herring Prospectus has been omitted.

The Articles of Association of the Company include two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other until the commencement of trading of the Equity Shares of the Company on the Stock Exchanges, pursuant to the Offer.

In case of any inconsistency between Part A and Part B, the provisions of Part B shall prevail. Part B shall automatically cease to have any force and effect and shall terminate from the date of consummation of the Offer, i.e., commencement of trading of the Equity Shares of the Company on the Stock Exchanges pursuant to the Offer, without any further action by the Company or by the shareholders of the Company, and Part A shall continue to be in effect as the Articles of Association of the Company.

PART A OF THE ARTICLES OF ASSOCIATION

ARTICLES OF ASSOCIATION

OF

DUROFLEX LIMITED

(Incorporated under the Companies Act, 1956)

This set of Articles of Association has been approved pursuant to the provisions of section 14 of the Companies Act, 2013 and by a special resolution passed at the Extraordinary General Meeting of Duroflex Limited (the “**Company**”) held on October 13, 2025. These Articles have been adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof.

The Articles of Association of the Company comprise two parts, Part A and Part B, Until the filing of red herring prospectus with Registrar of Companies, Kerala at Ernakulam (“**RoC**”) in relation to the initial public offering of the Equity Shares of the Company (“**Offer**”), the provisions of Part A shall not come into force and shall not be applicable, and the articles of association of the Company shall be deemed to consist solely of the provisions of Part B. However, upon the filing of the red herring prospectus with RoC in relation to the Offer, Part B shall automatically stand deleted, shall not have any force and shall be deemed to be removed from the articles of association, and the provisions of the Part A shall automatically come into effect and be in force, without any further corporate or other action by the Company or its Shareholders, unless specified otherwise in these Articles.

The defined terms used in this paragraph and not specifically defined to have meaning as provided in Article 3 below.

PART A OF THE ARTICLES OF ASSOCIATION

PRELIMINARY

TABLE ‘F’ PROVISIONS

1. The regulations contained in the Table marked ‘F’ in Schedule I to the Companies Act. 2013 as amended from time to time, shall apply to this Company in so far as they are applicable to a public company and save in so far as they are expressly or impliedly excluded or modified by the following Articles.
2. The regulations for the management of the Company and for the observance by the Members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to addition, alteration, substitution, modification, repeal and variation thereto by approval of Shareholders as prescribed or permitted by the Companies Act. 2013, as amended from time to time, be such as are contained in these Articles.

DEFINITIONS AND INTERPRETATION

3. In the interpretation of these Articles, the following words and expressions, unless repugnant to the subject or context, shall mean the following:

“*the Act*” means the Companies Act, 2013 and the rules enacted, regulations framed thereunder and any statutory modification or reenactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these

Articles and any previous company law, so far as may be applicable. Reference to Act shall also include the Secretarial Standards issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980;

“Annual General Meeting” means the annual general meeting of the Company convened and held in accordance with the Act;

“Articles of Association” or *“Articles”* mean these articles of association of the Company, as may be altered from time to time in accordance with the Act;

“Board” or *“Board of Directors”* means the board of directors of the Company, as constituted at applicable times, in accordance with law and the provisions of these Articles;

“Board Meeting” shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.

“Company” means Duroflex Limited, a company incorporated under the laws of India;

“Committee” means committee of Board constituted in accordance with the Act;

“Depository” means a depository, as defined in clause (e) of sub-section (I) of section 2 of the Depositories Act, 1996 and a company formed and registered under the Companies Act, 2013 and which has been granted a certificate of registration under sub-section (1A) of section 12 of the Securities and Exchange Board of India Act, 1992;

“Director” shall mean any director of the Company, including alternate directors, Independent Directors and nominee directors appointed in accordance with law and the provisions of these Articles;

“Equity Share Capital” shall mean the total issued and paid-up equity share capital of the Company.

“Equity Shares” or *“Shares”* shall mean the issued, subscribed and fully paid-up equity shares of the Company having a face value of such amount as prescribed under the Memorandum of Association;

“Extraordinary General Meeting” means an extraordinary general meeting of the Company convened and held in accordance with the Act;

“General Meeting” means any duly convened meeting of the Shareholders of the Company and any adjournments thereof;

“Independent Director” shall mean an independent director as defined under the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015;

“IPO” means the initial public offering of the Equity Shares of the Company;

“Member” or *“Shareholder”* means the duly registered holder from time to time, of the shares of the Company and includes the subscribers to the Memorandum of Association and in case of shares held by a Depository, the beneficial owners whose names are recorded as such with the Depository;

“Memorandum” or *“Memorandum of Association”* means the memorandum of association of the Company, as may be altered from time to time;

“Office” means the registered office, for the time being, of the Company;

“Officer” shall have the meaning assigned thereto by the Act;

“Ordinary Resolution” shall have the meaning assigned thereto by the Act;

“Register of Members” means the register of members to be maintained pursuant to the provisions of the Act and the register of beneficial owners pursuant to section 11 of the Depositories Act, 1996, in case of shares held in a Depository;

“Special Resolution” shall have the meaning assigned thereto by the Act;

“Stock Exchange” means the National Stock Exchange of India Limited, the BSE Limited or such other recognized stock exchange in India or outside of India; and

4. Except where the context requires otherwise, these Articles will be interpreted as follows:

- (a) headings are for convenience only and shall not affect the construction or interpretation of any provision of these Articles;
- (b) where a word or phrase is defined, other parts of speech and grammatical forms and the cognate variations of that word or phrase shall have corresponding meanings;
- (c) words importing the singular shall include the plural and vice versa;
- (d) all words (whether gender-specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders;
- (e) the expressions “hereof”, “herein” and similar expressions shall be construed as references to these Articles as a whole and not limited to the particular Article in which the relevant expression appears;
- (f) any reference to *& person* includes any individual, firm, corporation, partnership, company, trust, association, joint venture, government (or agency or political subdivision thereof) or other entity of any kind, whether or not having separate legal personality. A reference to any person in these Articles shall, where the context permits, include such person’s executors, administrators, heirs, legal representatives and permitted successors and assigns;
- (g) a reference to any document (including these Articles) is to that document as amended, consolidated, supplemented, novated or replaced from time to time;
- (h) the *ejusdem generis* (of the same kind) rule will not apply to the interpretation of these Articles. Accordingly, *include* and *including* will be read without limitation;
- (i) references made to any provision of the Act or the Rules shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the Ministry of Corporate Affairs. Government of India;
- (j) the applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Companies Act, 2013 have been notified;
- (k) a reference to a statute or statutory provision includes, to the extent applicable at any relevant time;
 - (i) that statute or statutory provision as from time to time consolidated, modified, reenacted or replaced by any other statute or statutory provision; and
 - (ii) any subordinate legislation or regulation made under the relevant statute or statutory provision;
- (l) references to writing include any mode of reproducing words in a legible and non-transitory form;
- (m) references to *Rupees, Rs., Re., ₹.* are references to the lawful currency of India; and
- (n) save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context bear the same meaning in these Articles.

5. **PUBLIC LIMITED COMPANY**

The Company is a public limited Company within the meaning of Section 2(71) of the Act and the minimum paid up capital of the Company shall be such amount as prescribed under the Act.

SHARE CAPITAL AND VARIATION OF RIGHTS

6. **AUTHORISED SHARE CAPITAL**

The authorised share capital of the Company shall be such amount, divided into such class(es), denomination(s) and number of shares in the Company as may from time to time be provided in Clause V of the Memorandum of Association, with power to the Company to increase or reduce such capital and/or the nominal value of the shares forming part thereof from time to time and power to divide share capital into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to consolidate or sub-divide the shares and issue shares of higher or lower denominations and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with these Articles, subject to the provisions of applicable law for the time being in force.

7. **NEW CAPITAL PART OF THE EXISTING CAPITAL**

Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained,

with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

8. KINDS OF SHARE CAPITAL

The Company may issue the following kinds of shares in accordance with these Articles, the Act and other applicable laws:

- (a) Equity share capital:
 - (i) with voting rights; and/or
 - (ii) with differential rights as to dividend, voting or otherwise in accordance with the Act: and
- (b) Preference share capital.

The Board shall also be entitled to issue, from time to time, subject to any other legislation for the time being in force, any other securities, including securities convertible into shares, exchangeable into shares, or carrying a warrant, with or without any attached securities, carrying such terms as to coupon, returns, repayment, servicing, as may be decided by the terms of such issue.

9. SHARES AT THE DISPOSAL OF THE BOARD OF DIRECTORS

Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Board of Directors who may issue, allot or otherwise dispose off or any of them to such persons, in such proportion and on such terms and conditions, either at a premium or at par or at a discount (subject to the compliance with the provisions of section 53 of the Act) and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

10. CONSIDERATION FOR ALLOTMENT

The Board of Directors may issue and allot shares of the Company as payment in full or in part, for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in the acquisition and/or in the conduct of its business; and any shares which may be so allotted may be issued as fully paid up shares and if so issued shall be deemed as fully paid up shares. However, the aforesaid shall be subject to the approval of shareholders under the relevant provisions of the Act and Rules.

11. SUB-DIVISION, CONSOLIDATION AND CANCELLATION OF SHARE CAPITAL

Subject to the provisions of section 61 of the Act and these Articles, the Company may:

- (a) increase the authorised share capital by such sum. to be divided into shares of such amount as it thinks expedient;
- (b) divide, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that as between the holders of the shares resulting from such sub-division one or more of such shares have some preference or special advantage in relation to dividend, capital or otherwise as compared with the others;
- (c) cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled;
- (d) consolidate and divide all or any of its share capital into shares of larger or smaller amount than its existing shares; provided that any consolidation and division which results in changes in the voting percentage of Members shall require applicable approvals under the Act;
- (e) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; and
- (f) The cancellation of shares under point (c) above shall not be deemed to be a reduction of the authorised share capital.

12. FURTHER ISSUE OF SHARES

(1) Where at any time the Board or the Company, as the case may be, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:

- (i) to the persons who, at the date of offer, are holders of Equity Shares of the Company in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (ii) to (iv) below;
- (ii) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days (or such lesser number of days as may be prescribed under applicable law) and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined.

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue;

- (iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right;
- (iv) After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Members and the Company;
 - (A) to employees under any scheme of employees' stock option subject to approval of Shareholders of the Company by way of special resolution as per applicable provisions / law and subject to the rules and such other conditions, as may be prescribed under applicable law; or
 - (B) to any person(s), if it is authorised by approval of the Shareholders of the Company by way of special resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the Act and the rules made thereunder; provided that in respect of issue of shares as aforesaid, subsequent to listing of the Equity Shares of the Company on the Exchange(s) pursuant to the IPO, the price of the shares shall be determined in accordance with applicable provisions of regulations made by Securities and Exchange Board of India and/or other applicable laws and the requirement for determination of price through valuation report of a registered valuer under the Act and the rules made thereunder shall not be applicable.

(2) Nothing in sub-clause (iii) of clause (1)(A) shall be deemed:

- (i) To extend the time within which the offer should be accepted; or
- (ii) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares compromised in the renunciation,

(3) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company.

Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans or is in conformity with the rules, if any, made by that Government in this behalf or in the case of debentures or loans or other than debentures issued to, or loans obtained from the Government, or any institution specified by the Central Government in this behalf, has also been approved by a Special Resolution passed by the Company in a General Meeting before the issue of the loans.

(4) Notwithstanding anything contained in Article 12(3) above, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be

converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

The Company may subject to shareholders approval by special resolution, issue securities on preferential basis or by way of private placement or in any other manner from time to time to any person in accordance with Section 62(1)(c) of the Act and the relevant rules made thereunder.

- (5) Subject to the provisions of the Act and these Articles, the Company may from time to time issue sweat equity shares.

13. RIGHT TO CONVERT LOANS INTO CAPITAL

Notwithstanding anything contained in sub-clauses(s) of Article 11 above, but subject, however, to the provisions of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures or loans raised by the Company to convert such debentures or loans into shares or to subscribe for shares in the Company.

Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting.

14. ISSUE OF FURTHER SHARES NOT TO AFFECT RIGHTS OF EXISTING MEMBERS

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

15. ALLOTMENT ON APPLICATION TO BE ACCEPTANCE OF SHARES

Any application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register of Members, shall, for the purpose of these Articles, be a Member.

16. RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT

The Board shall observe the restrictions as regards allotment of shares to the public contained in the Act, and as regards return on allotments, the Directors shall comply with applicable provisions of the Act.

17. MONEY DUE ON SHARES TO BE A DEBT TO THE COMPANY

The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, shall immediately on the inscription of the name of allottee in the Register as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by them accordingly.

18. MEMBERS OR HEIRS TO PAY UNPAID AMOUNTS

Every Member or their heirs, executors or administrators shall pay to the Company the portion of the capital represented by their share or shares which may, for the time being remain unpaid thereon, in such amounts, at such time or times and in such manner, as the Board shall from time to time, in accordance with these Articles require or fix for the payment thereof.

19. VARIATION OF SHAREHOLDERS' RIGHTS

- (a) If at any time the share capital of the Company is divided into different classes of shares, the rights attached to the shares of any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to provisions of the Act and whether or not the Company is being wound up, be varied with the consent in writing of the holders of not less than three-fourth of the issued shares of that class or with the sanction of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class, as prescribed by the Act.
- (b) Subject to the provisions of the Act. to every such separate meeting, the provisions of these Articles relating to meeting shall *mutatis mutandis* apply,

20. **PREFERENCE SHARES**

(a) **Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act, and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

(b) **Convertible Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such securities on such terms as they may deem fit.

(c) **Compulsorily Convertible Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis compulsorily convertible preference shares, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for conversion of such shares into such securities on such terms as they may deem fit.

21. **COMPROMISE, ARRANGEMENTS AND AMALGAMATION**

Subject to the applicable provisions of the Act, the Company is empowered to enter into any Schemes of Arrangement or compromises with its creditors and/or members of the Company and/or any class of such creditors or members, including but not limited to hive-off or demerger of any of its business or units and also to amalgamate or cause itself to be amalgamated with any other person, firm or body corporate.

SHARE CERTIFICATES

22. **ISSUE OF SHARE CERTIFICATE**

Every Member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in their name, or if the Directors so approve (upon paying such fee as the Directors so determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates, unless prohibited by any provision of law or any order of court, tribunal or other authority having jurisdiction, within two (2) months from the date of allotment, or within one (1) month of the receipt of application of registration of transfer, transmission, sub division, consolidation or renewal of any of its shares as the case maybe or within such other period as any other legislation for time being in force may provide or within a period of six (6) months from the date of allotment in the case of any allotment of debenture or within such other period as any other legislation for time being in force may provide. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one (1) certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such joint holders. The Company may issue several certificates, each for one or more of their shares, upon payment of twenty rupees for each certificate after the first.

Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two (2) directors or by a director and the company secretary, wherever the company has appointed a company secretary.

The Company may sub-divide or consolidate the share certificates.

23. **RULES TO ISSUE SHARE CERTIFICATES**

The Act shall be complied with in respect of the issue, reissue, renewal of share certificates and the formal, sealing and signing of the certificates and records of the certificates issued shall be maintained in accordance with the Act.

24. **ISSUE OF NEW SHARE CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED**

If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new share certificate may be issued in lieu thereof, and if any share certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new share certificate

in lieu thereof shall be given to the party entitled to such lost or destroyed share certificate. Every share certificate under this Article shall be issued without payment of any fees or upon payment of such fee as prescribed under applicable law for each share certificate, and as the Board of Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf.

The provision of this Article shall *mutatis mutandis* apply to debentures of the Company.

UNDERWRITING & BROKERAGE

25. COMMISSION FOR PLACING SHARES, DEBENTURES, ETC.

- (a) Subject to the provisions of the Act and other applicable laws, the Company may at anytime pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) to any shares or debentures of the Company or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares or debentures of the Company and provisions of the Act shall apply.
- (b) The rate or amount of the commission shall not exceed the rate or amount prescribed in section 40 of the Act.
- (c) The Company may also, in any issue, pay such brokerage as may be lawful.
- (d) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid-up shares or partly in the one way and partly in the other.

LIEN

26. COMPANY'S LIEN ON SHARES / DEBENTURES

The Company shall subject to applicable law have a first and paramount lien:

- (a) on every share / debenture (not being a fully paid-up share / debenture) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share / debenture and no equitable interest in any share shall be created upon the footing and condition that this Article will have full effect; and
- (b) on all shares/debentures (not being fully paid shares) standing registered in the name of each Member (whether solely or jointly with others), for all monies presently payable by him or his estate to the Company. Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debentures. Unless otherwise agreed, the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures.

Provided that the Board may at any time declare any share/ debenture to be wholly or in part exempt from the provisions of this Article.

The fully paid-up shares/ debentures shall be free from all lien and in the case of partly paid-up shares the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares/ debentures.

27. LIEN TO EXTEND TO DIVIDENDS, ETC.

The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares / debentures.

28. ENFORCING LIEN BY SALE

The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made -

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen (14) days' after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered

holder for the time being of the share or to the person entitled thereto by reason of their death or insolvency or otherwise.

No Member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by them have not been paid, or in regard to which the Company has exercised any right of lien.

29. **VALIDITY OF SALE**

To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall their title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

30. **VALIDITY OF COMPANY'S RECEIPT**

The receipt for the consideration (if any) given for the share on the sale thereof shall (if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case maybe) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

31. **APPLICATION OF SALE PROCEEDS**

The proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

32. **OUTSIDER'S LIEN NOT TO AFFECT COMPANY'S LIEN**

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by law) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

33. **PROVISIONS AS TO LIEN TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.**

The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

CALLS ON SHARES

34. **BOARD TO HAVE RIGHT TO MAKE CALLS ON SHARES**

The Board may subject to the provisions of the Act and any other applicable law, from time to time, make such calls as it thinks fit upon the Members in respect of all monies unpaid on the shares (whether on account of the nominal value of the shares or by premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one (I) month from the date fixed for the payment of the last preceding call. A call may be revoked or postponed at the discretion of the Board. The power to call on shares shall not be delegated to any other person except with the approval of the Shareholders' in a General Meeting and as maybe permitted by law.

35. **NOTICE FOR CALL**

Each Member shall, subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on their shares.

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call, in respect of one (i) or more Members, as the Board may deem appropriate in any circumstances.

A call may be revoked or postponed at the discretion of the Board.

36. **CALL WHEN MADE**

The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to

have been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in installments.

37. **LIABILITY OF JOINT HOLDERS FOR A CALL**

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof

38. **CALLS TO CARRY INTEREST**

If a Member fails to pay any call due from them on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at ten per cent or at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member. The Board shall be at liberty to waive payment of any such interest wholly or in part.

39. **DUES DEEMED TO BE CALLS**

Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable,

40. **EFFECT OF NON-PAYMENT OF SUMS**

In case of non-payment of such sum. all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

41. **PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST**

The Board -

- (a) may subject to provisions of the Act, if it thinks fit, agree to and receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by them; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be agreed upon between the Board and the Member paying the sum in advance. Nothing contained in this Article shall confer on the Member (i) any right to participate in profits or dividends; or (ii) any voting rights in respect of the monies so paid by them, until the same would, but for such payment, become presently payable by them. The Board of Directors may at any time repay the amount so advanced.

42. **PROVISIONS AS TO CALLS TO APPLY MUTATIS MUTANDIS TO DEBENTURES. ETC,**

The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities, including debentures, of the Company, to the extent applicable.

FORFEITURE OF SHARES

43. **BOARD TO HAVE A RIGHT TO FORFEIT SHARES**

If a Member fails to pay any call, or installment of a call or any money due in respect of any share on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on them or their legal representatives requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment,

44. **NOTICE FOR FORFEITURE OF SHARES**

The notice aforesaid shall:

- (a) name a further day (not being earlier than the expiry of fourteen (14) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

45. **RECEIPT OF PART AMOUNT OR GRANT OF INDULGENCE NOT TO AFFECT FORFEITURE**

Neither a judgment nor a decree in favour of the Company for calls or other monies due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by applicable law.

46. **FORFEITED SHARE TO BE THE PROPERTY OF THE COMPANY**

Any share forfeited in accordance with these Articles, shall be deemed to be the property of the Company and may be sold, re-allocated or otherwise disposed off either to the original holder thereof or to any other person upon such terms and in such manner as the Board thinks fit.

47. **ENTRY OF FORFEITURE IN REGISTER OF MEMBERS**

When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

48. **MEMBER TO BE LIABLE EVEN AFTER FORFEITURE**

A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by them to the Company in respect of the shares. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

49. **EFFECT OF FORFEITURE**

The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles expressly saved.

50. **CERTIFICATE OF FORFEITURE**

A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share,

51. **TITLE OF PURCHASER AND TRANSFEREE OF FORFEITED SHARES**

The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. The transferee shall thereupon be registered as the holder of the share and the transferee shall not be bound to see to the application of the purchase money, if any, nor shall their title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

52. **VALIDITY OF SALES**

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and after their name has been entered in the Register of Members in respect of such shares the validity of the sale shall not be impeached by any person.

53. **CANCELLATION OF SHARE CERTIFICATE IN RESPECT OF FORFEITED SHARES**

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect,

and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

54. BOARD ENTITLED TO CANCEL FORFEITURE

- (i) A forfeited share may be sold or reallocated or otherwise disposed off on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

55. SURRENDER OF SHARE CERTIFICATES

The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering them on such terms as they think fit;

56. SUMS DEEMED TO BE CALLS

The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

57. PROVISIONS AS TO FORFEITURE OF SHARES TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.

The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

TRANSFER AND TRANSMISSION OF SHARES

58. REGISTER OF TRANSFERS

The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. The Company shall also use a common form of transfer.

59. ENDORSEMENT OF TRANSFER

In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at its discretion, direct an endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or Officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate, in lieu of and in cancellation of the existing certificate in the name of the transferee.

60. INSTRUMENT OF TRANSFER

- (a) The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. The Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of shares, where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply.
- (b) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof. A common form of transfer shall be used.
- (c) The Board may decline to recognize any instrument of transfer unless-
 - (i) the instrument of transfer is in the form prescribed under the Act;
 - (ii) the instrument of transfer is accompanied by the certificate of shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - (iii) the instrument of transfer is in respect of only one class of shares.
- (d) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

61. **EXECUTION OF TRANSFER INSTRUMENT**

Every such instrument of transfer shall be executed, by or on behalf of both the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the Register of Members in respect thereof.

62. **CLOSING REGISTER OF TRANSFERS AND OF MEMBERS**

Subject to compliance with the Act and other applicable law, the Board shall be empowered, on giving not less than seven (7) days' notice or such period as may be prescribed, to close the Register of Transfer, Register of Members, the register of debenture holders at such time or times, and for such period or periods, not exceeding thirty (30) days at a time and not exceeding an aggregate forty five (45) days in each year as it may seem expedient.

63. **DIRECTORS MAY REFUSE TO REGISTER TRANSFER**

Subject to the provisions of these Articles and other applicable provisions of the Act or any other applicable law for the time being in force, the Board may refuse by giving reasons, whether in pursuance of any power of the Company under these Articles or otherwise, to register or acknowledge any transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company, after providing sufficient cause, within a period of thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company. Provided that the registration of transfer of any securities shall not be refused on the ground of the transferor being alone or jointly with any other person or persons, indebted to the Company on any account whatsoever. Transfer of shares/debentures in whatever lot shall not be refused.

64. **TRANSFER OF PARTLY PAID SHARES**

Where in the case of partly paid-up shares, an application for registration is made by the transferor alone, the transfer shall not be registered, unless the Company gives the notice of the application to the transferee in accordance with the provisions of the Act and the transferee gives no objection to the transfer within the time period prescribed under the Act,

65. **TITLE TO SHARES OF DECEASED MEMBERS**

The executors or administrators or the holders of a succession certificate issued in respect of the shares of a deceased Member and not being one of several joint holders shall be the only person whom the Company shall recognize as having any title to the shares registered in the name of such Members and in case of the death of one or more of the joint holders of any registered share, the survivor or survivors shall be entitled to the title or interest in such shares but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by them jointly with any other person. Provided nevertheless that in case the Directors, in their absolute discretion think fit, it shall be lawful for the Directors to dispense with the production of a probate or letters of administration or a succession certificate or such other legal representation upon such terms (if any) (as to indemnity or otherwise) as the Directors may consider necessary' or desirable.

66. **TRANSFERS NOT PERMITTED**

No share shall in any circumstances be transferred to any infant, insolvent or a person of unsound mind, except fully paid-up shares through a legal guardian.

67. **TRANSMISSION OF SHARES**

Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Members, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article, or of their title, elect to either be registered himself as holder of the shares or elect to have some person nominated by them and approved by the Board, registered as such holder or to make such transfer of the share as the deceased or insolvent member could have made. If the person so becoming entitled shall elect to be registered as holder of the share themselves, he shall deliver or send to the Company a notice in writing signed by them stating that he so elects. Provided, nevertheless, if such person shall elect to have their nominee registered, he shall testify that election by executing in favour of their nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the shares. Further, all limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

68. **RIGHTS ON TRANSMISSION**

A person becoming entitled to a share by reason of the death or insolvency of the holder shall, subject to the Directors' right to retain such dividends or money, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company,

Provided that the Board may at any time give a notice requiring any such person to elect either to be registered themselves or to transfer the share and if the notice is not complied with within ninety (90) days, the Board may thereafter withhold payment of all dividends, bonus or other monies payable in respect of such share, until the requirements of notice have been complied with.

69. **SHARE CERTIFICATES TO BE SURRENDERED**

Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (save as provided in the Act) properly stamped and executed instrument of transfer.

70. **COMPANY NOT LIABLE TO NOTICE OF EQUITABLE RIGHTS**

The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable rights, title or interest in the said shares, notwithstanding that the Company may have had notice of such equitable rights referred thereto in any books of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable rights, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

71. **TRANSFER AND TRANSMISSION OF DEBENTURES**

The provisions of these Articles, shall, *mutatis mutandis*, apply to the transfer of or the transmission by law of the right to any securities including, debentures of the Company.

ALTERATION OF CAPITAL

72. **RIGHTS TO ISSUE SHARE WARRANTS**

The Company may issue share warrants subject to, and in accordance with provisions of the Act. The Board may, in its discretion, with respect to any share which is fully paid-up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require having been paid, issue a warrant,

73. **BOARD TO MAKE RULES**

The Board may, from time to time, make rules as to the terms on which it shall think fit, a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

74. **SHARES MAY BE CONVERTED INTO STOCK**

Where shares are converted into stock.

- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;

- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage:

- (c) such of the Articles of the Company as are applicable to paid-up shares shall apply to stock and the words ‘share’ and ‘shareholder’/ ‘Member’ shall include ‘stock’ and ‘stockholder’ respectively.

75. REDUCTION OF CAPITAL

The Company may, by approval of Shareholders as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act—

- (a) its share capital; and/or
- (b) any capital redemption reserve account; and/or
- (c) any share premium account

and in particular without prejudice to the generality of the foregoing power may by: (i) extinguishing or reducing the liability on any of its shares in respect of share capital not paid-up; (ii) either with or without extinguishing or reducing liability’ on any of its shares, (a) cancel paid-up share capital which is lost or is unrepresented by available assets; or (b) pay off any paid-up share capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.

76. DEMATERIALISATION AND REMATERIALISATION OF SECURITIES

- (i) The Company shall recognise interest in dematerialised securities under the Depositories Act, 1996.

Every’ Person subscribing to the Shares offered by the Company shall receive such Shares in dematerialized form. Such a Person who is the beneficial owner of the Shares can at any time opt out of a Depository, if permitted by the Law, in respect of any Shares in the manner provided by the Depositories Act 1996 as amended or re-enactment thereof, the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and other applicable law and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of Shares.

- (ii) Dematerialisation/Rematerialisation of securities

Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialise its existing securities, rematerialise its securities held in Depositories and/or offer its fresh securities in the dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

- (iii) Option to receive security certificate or hold securities with the Depository

Every person subscribing to or holding securities of the Company shall have the option to receive the security certificate or hold securities with a Depository. Where a person opts to hold a security with the Depository, the Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its Record, the name of the allottees as the beneficial owner of that Security.

- (iv) Securities in electronic form

All securities held by a Depository shall be dematerialized and held in electronic form. No certificate shall be issued for the securities held by the Depository.

- (v) Beneficial owner deemed as absolute owner

Except as ordered by a court of competent jurisdiction or by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such securities or (except only as by these Articles otherwise expressly provided) any right in respect of a security’ other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any security in the joint names of any two or more persons or the survivor or survivors of them.

- (vi) Register and index of beneficial owners

The Company shall cause to be kept a register and index of members with details of securities held in materialised and dematerialised forms in any media as may be permitted by law including any form of

electronic media in accordance with all applicable provisions of the Act and the Depositories Act, 1996. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members, resident in that state or country,

- (vii) Notwithstanding anything contained herein, in the case of transfer of shares or other securities where the Company has not issued any certificates and where such shares or other securities are being held in an electronic and fungible form, provisions of the Depositories Act, 1996 shall apply. Further, the provisions relating to progressive numbering shall not apply to the shares of the Company which have been dematerialised.

77. BUY-BACK OF SHARES

Notwithstanding anything contained in these Articles, but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

GENERAL MEETINGS

78. ANNUAL GENERAL MEETINGS

- (a) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year.
- (b) An Annual General Meeting of the Company shall be held in accordance with the provisions of the Act and other applicable law.

79. EXTRAORDINARY GENERAL MEETINGS

All General Meetings other than the Annual General Meeting shall be called "Extraordinary General Meeting". Provided that, the Board may, whenever it thinks fit, call an Extraordinary General Meeting.

80. EXTRAORDINARY MEETINGS ON REQUISITION

The Board shall, on the requisition of Members, convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under the Act.

81. NOTICE FOR GENERAL MEETINGS

All General Meetings shall be convened by giving not less than clear twenty one (21) days' notice, in such manner as is prescribed under the Act, specifying the place, date and hour of the meeting and a statement of the business proposed to be transacted at such a meeting, in the manner mentioned in the Act. Notice shall be given to all the Members and to such persons as are under the Act and/or these Articles entitled to receive such notice from the Company but any accidental omission to give notice to or non-receipt of the notice by any Member or other person to whom it should be given shall not invalidate the proceedings of any General Meetings.

The Members may participate in General Meetings through such modes as permitted by applicable laws.

82. SHORTER NOTICE ADMISSIBLE

Upon compliance with the relevant provisions of the Act, an Annual General Meeting may be convened by giving a notice shorter than twenty one (21) days if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting. Any other General Meeting may be convened by giving a notice shorter than twenty one (21) days if consent is given in writing or by electronic mode by not less (i) the majority in number of Shareholders entitled to vote at that meeting and (ii) who represent not less than 95 (ninety five) percent of such part of the paid-up Share Capital of the Company as gives a right to vote at such meeting.

83. CIRCULATION OF MEMBERS' RESOLUTION

The Company shall comply with provisions of section 111 of the Act, as to giving notice of resolutions and circulating statements on the requisition of Members.

84. SPECIAL AND ORDINARY BUSINESS

- (a) Subject to the provisions of the Act, all business shall be deemed special that is transacted at the Annual General Meeting with the exception of declaration of any dividend, the consideration of financial statements and reports of the Directors and auditors, the appointment of Directors in place of those retiring and the

appointment of and fixing of the remuneration of the auditors, in case of any other meeting, all business shall be deemed to be special.

- (b) In case of special business as aforesaid, an explanatory statement as required under the applicable provisions of the Act shall be annexed to the notice of the meeting.

85. QUORUM FOR GENERAL MEETING

The quorum for the Shareholders' Meeting shall be in accordance with section 103 of the Act or the applicable law for the time being in force prescribes, and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting.

86. TIME FOR QUORUM AND ADJOURNMENT

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting, a quorum is not present, the meeting, if called upon at the requisition of Members, shall be cancelled and in any other case, it shall stand adjourned to the same day in the next week (not being a national holiday) at the same time and place or to such other day and at such other time and place as the Directors may determine. If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be quorum and may transact the business for which the meeting was called.

87. CHAIRMAN OF GENERAL MEETING

The Chairman, if any, of the Board of Directors shall preside as chairman at every General Meeting of the Company.

88. ELECTION OF CHAIRMAN

Subject to the provisions of the Act, if there is no such chairman or if at any meeting he is not present within fifteen (15) minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the Directors present shall elect another Director as chairman and if no Director be present or if all the Directors decline to take the chair, then the Members present shall choose a Member to be the chairman.

89. ADJOURNMENT OF MEETING

Subject to the provisions of the Act, the chairman of a General Meeting may, with the consent given in the meeting at which a quorum is present (and shall if so directed by the meeting) adjourn that meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When the meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as nearly to the original meeting, as may be possible. Save as aforesaid and as provided in the Act, it shall not be necessary to give any notice of adjournment of the business to be transacted at an adjourned meeting

Any member who has not appointed a proxy to attend and vote on their behalf at a general meeting may appoint a proxy for any adjourned general meeting, not later than forty-eight hours before the time of such adjourned Meeting.

90. VOTING AT MEETING

At any General Meeting, a demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand. Further, no objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairperson of the General Meeting, whose decision shall be final and conclusive.

91. DECISION BY POLL

If a poll is duly demanded in accordance with the provisions of the Act, it shall be taken in such manner as the chairman directs and the results of the poll shall be deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded.

92. CASTING VOTE OF CHAIRMAN

In case of equal votes, whether on a show of hands or on a poll, the chairman of the General Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a Member.

93. **PASSING RESOLUTIONS BY POSTAL BALLOT**

- (a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Act, to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company.
- (b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under the Act.
- (c) If a resolution is assented to by the requisite majority of the Shareholders by means of postal ballot, it shall be deemed to have been duly passed at a General Meeting convened in that behalf.

VOTE OF MEMBERS

94. **VOTING RIGHTS OF MEMBERS**

Subject to any rights or restrictions for the time being attached to any class or classes of shares:

- (a) On a show of hands every Member holding Equity Shares and present in person shall have one vote.
- (b) On a poll, every Member holding Equity Shares shall have voting rights in proportion to their share in the paid-up equity share capital.
- (c) A Member may exercise their vote at a meeting by electronic means in accordance with the Act and shall vote only once.

95. **VOTING BY JOINT-HOLDERS**

In case of joint holders the vote of first named of such joint holders in the Register of Members who tender a vote whether in person or by proxy shall be accepted, to the exclusion of the votes of other joint holders.

96. **VOTING BY MEMBER OF UNSOUND MIND**

A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by their committee or other legal guardian, and any such committee or legal guardian may, on a poll, vote by proxy.

97. **NO RIGHT TO VOTE UNLESS CALLS ARE PAID**

No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by such Member have been paid, or in regard to which the Company has lien and has exercised any right of lien.

98. **PROXY**

Subject to the provisions of the Act and these Articles, any Member entitled to attend and vote at a General Meeting may do so either personally or through their constituted attorney or through another person as a proxy on their behalf, for that meeting.

99. **INSTRUMENT OF PROXY**

An instrument appointing a proxy shall be in the form as prescribed under section 105 of the Act for this purpose. The instrument appointing a proxy shall be in writing under the hand of appointer or of their attorney duly authorized in writing or if appointed by a body corporate either under its common seal or under the hand of its officer or attorney duly authorized in writing by it. Any person whether or not he is a Member of the Company may be appointed as a proxy.

The instrument appointing a proxy and power of attorney or other authority (if any) under which it is signed or a notarized copy of that power or authority must be deposited at the registered Office of the Company not less than forty eight (48) hours prior to the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

100. **VALIDITY OF PROXY**

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no intimation in writing of such death,

insanity, revocation or transfer shall have been received by the Company at its Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

101. **CORPORATE MEMBERS**

Any corporation which is a Member of the Company may, by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Member of the Company (including the right to vote by proxy).

DIRECTOR

102. **NUMBER OF DIRECTORS**

Unless otherwise determined by General Meeting, the number of Directors shall not be less than three (3) and not more than fifteen (15), and at least one (1) Director shall be resident of India in the previous year.

Provided that the Company may appoint more than fifteen (15) directors after taking approval of the Shareholders as per applicable provisions / laws.

103. **THE BOARD OF DIRECTORS**

The first directors of the Company at the time of incorporation of the Company were:

- (i) P.C Mathew and
- (ii) P. Chandy Mathew.

Notwithstanding anything to the contrary set out in these Articles:

- (a) *Authority of the Board.* Subject to the provisions of the Act, the Board shall be responsible for the management, supervision, direction and control of the Company.
- (b) *Chairman and Managing Director/Chief Executive Officer:* The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.

104. **SHARE QUALIFICATION NOT NECESSARY**

Any person whether a Member of the Company or not may be appointed as Director and no qualification by way of holding shares shall be required of any Director.

105. **ADDITIONAL DIRECTORS**

Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional Director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles. Any such additional Director shall hold office only upto the date of the upcoming Annual General Meeting.

106. **ALTERNATE DIRECTORS**

- (a) The Board may, appoint a person, not being a person holding any alternate directorship for any other director in the Company, to act as an alternate Director for a Director during their absence for a period of not less than 3 (three) months from India (hereinafter in this Article called the **“Original Director”**). No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.
- (b) An alternate Director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India, if the term of office of the Original Director is determined before he returns to India the automatic re-appointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate Director.

107. **APPOINTMENT OF DIRECTOR TO FILL A CASUAL VACANCY**

If the office of any Director appointed by the Company in General Meeting is vacated before their term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the

Board which shall be subsequently approved by Members in the immediate next General Meeting, The Director so appointed shall hold office only up to the date which the director in whose place he is appointed would have held office if it had not been vacated.

108. REMUNERATION OF DIRECTORS

- (a) A Director (other than a managing Director or whole-time Director) may receive a sitting fee as fixed by the Board not exceeding such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors or any Committee thereof attended by them. The remuneration of Directors including managing Director and/or whole-time Director may be paid in accordance with the applicable provisions of the Act.
- (b) The Board of Directors may allow and pay or reimburse any Director who is not a bona fide resident of the place where a meeting of the Board or of any Committee is held and who shall come to such place for the purpose of attending such meeting or for attending its business at the request of the Company, such sum as the Board may consider fair compensation for travelling, and out-of-pocket expenses and if any Director be called upon to go or reside out of the ordinary place of their residence on the Company's business he shall be entitled to be reimbursed any travelling or other expenses incurred in connection with the business of the Company.
- (c) The managing Directors/ whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

109. REMUNERATION FOR EXTRA SERVICES

If any Director, being willing, shall be called upon to perform extra services or to make any special exertions (which expression shall include work done by Director as a Member of any Committee formed by the Directors) in going or residing away from the town in which the Office of the Company may be situated for any purposes of the Company or in giving any special attention to the business of the Company as member of the Board, then subject to the provisions of the Act, the Board may remunerate the Director so doing either by a fixed sum. or by a percentage of profits or otherwise and such remuneration, may be either in addition to or in substitution for any other remuneration to which he may be entitled.

110. CONTINUING DIRECTOR MAY ACT

The continuing Directors may act notwithstanding any vacancy in the Board, but if the number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company, but for no other purpose.

111. VACATION OF OFFICE OF DIRECTOR

The office of a Director shall be deemed to have been vacated under the circumstances enumerated under Act.

ROTATION AND RETIREMENT OF DIRECTOR

112. ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR

At the Annual General Meeting of the Company to be held every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Subject to the provisions of the Act, the Board shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of directors by rotation. Provided that an independent Director duly appointed by the Company shall not be liable to retire by rotation. Further provided that, during the term of his / her appointment, the managing director of the Company shall not be liable to retire by rotation.

113. RETIRING DIRECTORS ELIGIBLE FOR RE-ELECTION

A retiring Director shall be eligible for re-election and the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid, may fill up the vacated office by electing a person thereto.

114. WHICH DIRECTOR TO RETIRE

The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lots.

115. **POWER TO REMOVE DIRECTOR BY ORDINARY RESOLUTION**

Subject to the provisions of the Act, the Company may by an Ordinary Resolution in General Meeting, remove any Director before the expiration of their period of office and may, by an Ordinary' Resolution, appoint another person instead.

Provided that an independent Director re-appointed for second term under the provisions of the Act shall be removed by the Company only by passing a Special Resolution and after giving them a reasonable opportunity of being heard.

116. **DIRECTOR FOR COMPANIES PROMOTED BY THE COMPANY**

Directors of the Company may be or become a director of any company promoted by the Company or in which it may be interested as vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company subject to compliance with applicable provisions of the Act.

PROCEEDINGS OF BOARD OF DIRECTORS

117. **MEETINGS OF THE BOARD**

- (a) The Board of Directors shall meet at least once in every three (3) months with a maximum gap of 120 (one hundred and twenty) days between two (2) meetings of the Board for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year. Place of meetings of the Board shall be at a location determined by the Board at its previous meeting, or if no such determination is made, then as determined by the Chairman of the Board.
- (b) The Chairman may, at any time, and the secretary or such other Officer of the Company as may be authorised in this behalf on the requisition of Director shall at any time summon a meeting of the Board. Notice of at least seven (7) days in writing of every meeting of the Board shall be given to every Director and every alternate Director at their usual address whether in India or abroad, provided always that a meeting may be convened by a shorter notice to transact urgent business subject to the condition that at least one independent Director, if any, shall be present at the meeting and in case of absence of independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent Director, if any.
- (c) The notice of each meeting of the Board shall include (i) the time for the proposed meeting; (ii) the venue for the proposed meeting; and (iii) an agenda setting out the business proposed to be transacted at the meeting.
- (d) To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any Committee thereof, through electronic mode, that is, by way of video conferencing or by any other audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any Director participating in a meeting through the use of video conferencing shall be counted for the purpose of quorum.

118. **QUESTIONS AT THE BOARD MEETING HOW DETERMINED**

- (a) A Committee may meet and adjourn as it thinks proper.
- (b) Questions arising at any time at a meeting of the Board shall be decided by majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

119. **QUORUM**

Subject to the provisions of the Act and other applicable law, the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

At any time the number of interested Directors is equal to or exceeds two-thirds of total strength, the number of remaining Directors, that is to say the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of Board after deducting there from the number of Directors, if any, whose places are vacant at the time. The term 'interested director' means any Director whose presence cannot, by reason of applicable provisions of the Act be counted for the purpose of forming a quorum at meeting of the Board, at the time of the discussion or vote on the concerned matter or resolution.

120. ADJOURNED MEETING

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting of the Board, a quorum is not present, the meeting, shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine.

121. ELECTION OF CHAIRMAN

- (a) The Board may from time to time appoint one of the Directors as Chairman of the Board and determine the period for which he is to hold such office. The positions, duties and responsibilities of the Chairman (whether whole-time or not and notwithstanding the fact that his appointment may be in the designation of a whole-time Director under the Act) and the Chief Executive Officer (by whatever designation described) shall be accordingly defined by the Board. The Board may authorize maintenance of a Chairman's office at Company's expense to support him in the performance of his duties.
- (b) Subject to the provisions of the Act, these Articles and of any contract between him and the Company the remuneration of the Chairman (notwithstanding the fact that his appointment may be in the designation of a whole-time Director under the Act) may from time to time be fixed by the Directors, subject to the approval of the Company in General Meeting, and may be by way of fixed monthly payments, commission on profits of the Company; any or all of these modes or any other mode not expressly prohibited in the Act.
- (c) The Chairman shall preside over as chairman at every meetings of the Board. If the Chairman has notified the Company of his inability to be present at a Board meeting or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman or if no such Chairman has been appointed, the Directors present may choose one of the Directors to act as the Chairman of the meeting.

122. POWERS OF DIRECTORS

- (a) The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act or any other applicable law, or by the Memorandum or by the Articles required to be exercised by the Company in a General Meeting, subject nevertheless to these Articles, to the provisions of the Act or any other applicable law and to such regulations not being inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in a General Meeting; but no regulation made by the Company in a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
- (b) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instalments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case maybe, by such person and in such manner as the Board shall from time to time by resolution determine.

123. DELEGATION OF POWERS

- (a) The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such members of its body as it thinks fit.
- (b) Any Committee so formed shall, in the exercise of the power so delegated conform to any regulations that may be imposed on it by the Board.
- (c) The Board shall from time to time form committees of the Board and the Board shall determine the composition of such committees based on the statutory requirements and the skill sets of the Directors seeking representation of the committees and may also nominate Chairperson of such committees.

124. ELECTION OF CHAIRMAN OF COMMITTEE

- (a) A Committee may elect a chairman of its meeting, unless the Board, while constituting a Committee, has appointed a chairman of such Committee. If no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be the chairman of the Committee meeting.
- (b) The quorum of a Committee may be fixed by the Board of Directors.

125. VALIDITY OF ACTS DONE BY BOARD OR A COMMITTEE

All acts done by any meeting of the Board, of a Committee thereof, or by any person acting as a Director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more

of such Directors or of any person acting as aforesaid or that they or any of them were disqualified be as valid as if even such Director or such person has been duly appointed and was qualified to be a Director.

126. **RESOLUTION BY CIRCULATION**

Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the Committee then in India, not being less in number than the quorum fixed of the meeting of the Board or the Committee, as the case may be and to all other Directors or Members at their usual address in India and approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote at the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or committee duly convened and held.

127. **MAINTENANCE OF FOREIGN REGISTER**

The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of those sections) make and vary such regulations as it may think fit respecting the keeping of any register.

128. **BORROWING POWERS**

- (a) Subject to the provisions of the Act and these Articles, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this Company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities; provided however, that the monies to be borrowed, together with the money already borrowed by the Company apart from temporary loans (as defined under section 180(1) of the Act) obtained from the Company's bankers in the ordinary course of business shall not, without the sanction of the Company by approval of Shareholders at a General Meeting as per applicable provisions / laws, exceed the aggregate of the paid-up share capital of the Company, its free reserves and securities premium. Provided that every such approval of Shareholders by the Company in General Meeting as per applicable provisions / laws in relation to the exercise of the power to borrow shall specify the total amount up to which monies may be borrowed by the Board of Directors.
- (b) The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a Committee of Directors or managing Director or to any other person permitted by applicable law, if any, within the limits prescribed.
- (c) To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and the same shall be in the interests of the Company.
- (d) Any bonds, debentures, debenture-stock or other securities may if permissible under applicable law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, drawing, allotment of shares, attending (but not voting) in the General Meeting, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by way of a special resolution as per applicable provisions / laws.

129. **NOMINEE DIRECTORS**

- (a) Subject to the provisions of the Act, so long as any moneys remain owing by the Company to Financial Institutions regulated by the Reserve Bank of India, State Financial Corporation or any financial institution owned or controlled by the Central Government or State Government or any Non-Banking Financial Company regulated by the Reserve Bank of India or any such company from whom the Company has borrowed for the purpose of carrying on its objects or each of the above has granted any loans / or subscribes to the debentures of the Company or so long as any of the aforementioned companies of financial institutions holds or continues to hold debentures / shares in the Company as a result of underwriting or by direct

subscription or private placement or so long as any liability of the Company arising out of any guarantee furnished on behalf of the Company remains outstanding, and if the loan or other agreement with such institution/ corporation/ company (hereinafter referred to as the “**Corporation**”) so provides, the Corporation may, in pursuance of the provisions of any law for the time being in force or of any agreement, have a right to appoint from time to time any person or persons as a Director or Directors whole-time or non whole-time (which Director or Director/s is/are hereinafter referred to as “**Nominee Directors/s**”) on the Board of the Company and to remove from such office any person or person so appointed and to appoint any person or persons in his /their place(s).

- (b) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board meetings and of the meetings of the committee of which Nominee Director/s is/are member/s as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.
- (c) The Company may pay the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled.
- (d) Provided that the sitting fees, in relation to such Nominee Director/s shall also accrue to the appointer and same shall accordingly be paid by the Company directly to the appointer.

130. **REGISTER OF CHARGES**

The Directors shall cause a proper register to be kept, in accordance with the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified.

131. **MANAGING DIRECTOR(S) AND/OR WHOLE-TIME DIRECTORS**

- (a) The Board may from time to time and with such sanction of the Central Government as may be required by the Act, appoint one or more of the Directors to the office of the managing Director and/ or whole-time Directors for such term and subject to such remuneration, terms and conditions as they may think fit,
- (b) The Directors may from time to time resolve that there shall be either one or more managing Directors and/ or whole-time Directors.
- (c) In the event of any vacancy arising in the office of a managing Director and/or whole-time Director, the vacancy shall be filled by the Board of Directors subject to the approval of the Members, as required under applicable law.
- (d) If a managing Director and/or whole-time Director ceases to hold office as Director, he shall ipso facto and immediately cease to be managing Director/whole time Director.
- (e) The managing Director shall not be liable to retirement by rotation as long as he holds office as managing Director.

132. **POWERS AND DUTIES OF MANAGING DIRECTOR OR WHOLE-TIME DIRECTOR**

The managing Director/whole time Director shall subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these Articles by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The managing Directors/ whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board’s direction.

133. **REIMBURSEMENT OF EXPENSES**

The managing Director whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

134. **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER**

Subject to the provisions of the Act —

- (a) A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board.
- (b) A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer. Further, an individual may be appointed or reappointed as the chairperson of the Company as well as the managing Director or chief executive officer of the Company at the same time.
- (c) A provision of the Act or the Articles requiring or authorising a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as a Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

DIVIDEND

135. COMPANY IN GENERAL MEETING MAY DECLARE DIVIDENDS

The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

136. INTERIM DIVIDENDS

Subject to the provisions of section 123 of the Act, the Board may from time to time pay to the Members such interim dividends of such amount on such class of shares and at such times as it may think fit and as appear to it to be justified by the profits of the Company.

137. RIGHT TO DIVIDEND AND UNPAID OR UNCLAIMED DIVIDEND

- (a) Where capital is paid in advance of calls on shares, such capital, whilst carrying interest, shall not confer a right to dividend or to participate in the profits.
- (b) Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration to any shareholder entitled to payment of the dividend, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called “**Unpaid Dividend Account of Duroflex Limited**”.
- (c) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company along with interest accrued, if any, thereon, to the fund known as Investor Education and Protection Fund established under the Act and the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said fund and that authority shall issue a receipt to the Company as evidence of such transfer.
- (d) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.
- (e) All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.

138. DIVISION OF PROFITS

Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

139. DIVIDENDS TO BE APPORTIONED

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

140. RESERVE FUNDS

- (a) The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting

contingencies or for equalizing dividends and pending such application, may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time think fit,

- (b) The Board may also carry forward any profits when it may consider necessary not to divide, without setting them aside as a reserve.

141. DEDUCTION OF ARREARS

Subject to the Act, no Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares of or otherwise howsoever whether alone or jointly with any other person or persons and the Board may deduct from any dividend payable to any Members all sums of money, if any, presently payable by him to the Company on account of the calls or otherwise in relation to the shares of the Company.

142. RECEIPT OF JOINT HOLDER

Any one of two or more joint holders of a share may give effective receipt for any dividends, bonuses or other monies payable in respect of such shares.

143. DIVIDEND HOW REMITTED

Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

144. DIVIDENDS NOT TO BEAR INTEREST

No dividends shall bear interest against the Company-

145. TRANSFER OF SHARES AND DIVIDENDS

Subject to the provisions of the Act, any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

CAPITALISATION OF PROFITS

146. CAPITALISATION OF PROFITS

- (a) The Company in General Meeting, may, on recommendation of the Board resolves:
 - (i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution; and
 - (ii) that such sum be accordingly set free for distribution in the manner specified in the sub-clause (b) amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportion.
- (b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in sub-clause (c) below, either in or towards:
 - (i) paying up any amounts for the time being unpaid on shares held by such Members respectively;
 - (ii) paying up in full, unissued share of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid; or
 - (iii) partly in the way specified in sub-clause (i) and partly that specified in sub-clause (ii).
 - (iv) A securities premium account and a capital redemption reserve account or any other permissible reserve account may be applied as permitted under the Act in the paying up of unissued shares to be issued to Members of the Company as fully paid-up bonus shares.
 - (v) The Board shall give effect to the resolution passed by the Company in pursuance of these Articles.

147. POWER OF DIRECTORS FOR DECLARATION OF BONUS ISSUE

- (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall:
 - (i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid-up shares or other securities, if any; and
 - (ii) generally, do all acts and things required to give effect thereto.
- (b) The Board shall have full power:
 - (i) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions; and
 - (ii) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalization or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amount or any parts of the amounts remaining unpaid on their existing shares.
- (c) Any agreement made under such authority shall be effective and binding on such Members.

ACCOUNTS

148. WHERE BOOKS OF ACCOUNTS TO BE KEPT

The Books of Account shall be kept at the Office or at such other place in India as the Directors think fit in accordance with the applicable provisions of the Act,

149. INSPECTION BY DIRECTORS

Subject to applicable law, each Director shall be entitled to examine the books, accounts and records of the Company or any Subsidiary and shall have free access, at all reasonable times and with prior written notice, to any and all properties and facilities of the Company. The Company shall provide such information relating to the business affairs and financial position of the Company as any Director may require, subject to applicable law.

150. REGISTER

The Company shall keep and maintain at its registered office or at such other place as permitted under the Act or the rules made thereunder, all statutory registers and annual returns for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the rules made thereunder. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Act and the rules made thereunder.

Any Member, beneficial owner, debenture or other security holder or any other person entitled to inspection of any documents/registers/records required to be maintained by the Company under the provisions of the Act or the rules made thereunder or to any copy thereof or extract therefrom shall be entitled to the same upon payment of such fee as may be determined by the Board from time to time and in absence of such determination, a fee of Rs 10 per page or the maximum fees fixed by the Act or the rules made thereunder, whichever is lower.

A copy of the Memorandum of Association and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent to a member requesting for the same within seven days thereof upon payment of such fees as may be prescribed under the Act or the rules made thereunder or Rs. 10 for each copy thereof.

151. INSPECTION BY MEMBERS

No Member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorised by the Board.

SERVICE OF DOCUMENTS AND NOTICE

152. MEMBERS TO NOTIFY ADDRESS IN INDIA

Each registered holder of shares from time to time shall notify in writing to the Company such place in India to be registered as their address and such registered place of address shall for all purposes be deemed to be their place of residence.

153. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS

If a Member has no registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to them, a document advertised in a newspaper circulating in the neighborhood of Office of the Company shall be deemed to be duly served to them on the day on which the advertisement appears.

154. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF MEMBERS

A document may be served by the Company on the persons entitled to a share in consequence of tire death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

155. PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS

Subject to the provisions of the Act and these Articles, notice of General Meeting shall be given:

- (a) To the Members of the Company as provided by these Articles.
- (b) To the persons entitled to a share in consequence of the death or insolvency of a Member.
- (c) To the Directors of the Company .
- (d) To the auditors for the time being of the Company; in the manner authorized by as in the
- (e) case of any Member or Members of the Company.

156. NOTICE BY ADVERTISEMENT

Subject to the provisions of the Act any document required to be served or sent by the Company on or to the Members, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district in which the Office is situated.

157. MEMBERS BOUND BY DOCUMENT GIVEN TO PREVIOUS HOLDERS

Every person, who by the operation of law, transfer or other means whatsoever, shall become entitled to any shares, shall be bound by every document in respect of such share which, previously to their name and address being entered in the Register of Members, shall have been duly served on or sent to the person from whom he derived their title to such share.

158. NOTICES BY COMPANY AND SIGNATURE THERETO

Any notice to be given by the Company shall be signed by the managing Director or by such Director or company secretary (if any) or Officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

WINDING UP

159. Subject to the applicable provisions of the Act-

- (a) If the Company shall be wound up, the liquidator may, with the sanction of Shareholders of the Company as per applicable provisions / laws and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.'
- (b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

- (c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.
- (d) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to their liability, if any, to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of winding up, a member of an unlimited company, in accordance with the provisions of the Act.

160. APPLICATION OF ASSETS

Subject to the provisions of the Act as to preferential payment the assets of the Company shall, on its winding up, be applied in satisfaction of its liabilities *pari passu* and, subject to such application shall be distributed among the Members according to their rights and interests in the Company.

INDEMNITY

161. DIRECTOR'S AND OTHERS' RIGHT TO INDEMNITY

Subject to the provisions of the Act and other applicable law, every Director and Officer of the Company shall be indemnified by the Company against any liability incurred by them in their capacity as Director or Officer of the Company including in relation to defending any proceedings, whether civil or criminal, in which judgment is given in their favour or in which he is acquitted or in which relief is granted to them by the court or the tribunal. Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the negligence, wilful misconduct or bad faith acts or omissions of such Director or officer of the Company.

162. INSURANCE

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

SECRECY CLAUSE

163. SECRECY

No Member or other person (not being a Director) shall be entitled to inspect the Company's works without the permission of the Chairman/Directors or to require discovery of any information respectively and detail of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process, or of any matter whatsoever, which may be related to the conduct of the business of the Company and which in the opinion of the Chairman/Directors will be inexpedient in the interest of the Members of the Company to communicate to the public.

GENERAL POWER

- 164.** Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**Listing Regulations**") or of the Act or of the Secretarial Standard issued by the Institute of Company Secretaries of India ("**Secretarial Standards**"), the provisions of the Listing Regulations or the Act or the Secretarial Standards shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Listing Regulations or the Act or the Secretarial Standards, from time to time.

PART B

Part B of the Articles of Association provides for, amongst other things, such articles as required by a public limited company and the rights of certain shareholders pursuant to the Shareholders' Agreement.

As on the date of this Draft Red Herring Prospectus, there are no material clauses/ covenants of Articles of Association that have not been disclosed.

SECTION XI: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus/ Prospectus which will be filed with the RoC. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at our Registered Office and Corporate Office between 10 a.m. and 5 p.m. IST on all Working Days and shall be also available on the website of our Company at www.duroflexworld.com/pages/investor-relations from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date (except for such agreements executed after the Bid/ Offer Closing Date).

A. Material Contracts for the Offer

- a) Offer Agreement dated October 15, 2025 entered into amongst our Company, the Selling Shareholders and the BRLMs.
- b) Registrar Agreement dated October 15, 2025 entered into amongst our Company, the Selling Shareholders and the Registrar to the Offer.
- c) Cash Escrow and Sponsor Banks Agreement dated [●] amongst our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Syndicate Members, the Escrow Collection Bank(s), Sponsor Banks, Public Offer Account Bank and the Refund Bank(s).
- d) Share Escrow Agreement dated [●] amongst our Company, the Selling Shareholders, and the Share Escrow Agent.
- e) Syndicate Agreement dated [●] amongst our Company, the Selling Shareholders, Registrar to the Offer, the BRLMs and Syndicate Members.
- f) Underwriting Agreement dated [●] amongst our Company, the Selling Shareholders and the Underwriters.
- g) Monitoring Agency Agreement dated [●] entered into between our Company and the Monitoring Agency.

B. Material Documents

- a) Certified copies of our MoA and AoA, as updated from time to time.
- b) Certificate of incorporation dated November 9, 1981, RoC at Kerala in the name of 'Duroflex Coir Industries Private Limited'.
- c) Fresh certificate of registration dated December 11, 1995, issued by the RoC at Kerala, pursuant to conversion to a public limited company, in the name of 'Duroflex Coir Industries Limited'.
- d) Fresh certificate of registration dated March 8, 1996, issued by the RoC at Kerala, pursuant to a change in the name of the Company, in the name of 'Duroflex Limited'.
- e) Fresh certificate of registration dated July 29, 2003, issued by the RoC at Kerala, pursuant to re-conversion of the Company back to a private limited company, in the name of 'Duroflex Private Limited'.
- f) Fresh certificate of incorporation dated September 17, 2025, issued by RoC CPC, consequent upon change in the name of our Company from 'Duroflex Private Limited' to 'Duroflex Limited', pursuant to conversion to a public limited company.
- g) Copies of annual reports of our Company for the last three Financial Years.
- h) Resolution of the Board of Directors dated October 11, 2025 authorising the Offer and other related matters.
- i) Resolution of the Board of Directors dated October 15, 2025 approving this Draft Red Herring Prospectus.
- j) Resolution of the Board of Directors dated October 15, 2025, taking on record the approval for the Offer for Sale by the Selling Shareholders.
- k) Consent letters and authorisations from the Selling Shareholders in relation to the Offer for Sale of its Offered Shares authorising the Offer for Sale.
- l) Share purchase agreement cum Indemnity bond dated October 17, 2020, entered into between Abhishek Somani, Mahesh Somani, Pooja Somani, Asha Anoop Mundra, Pushpa Somani, Anoop Balakrishna Mundra,

Ram Sharan Modi, Sangeeta Devi Modi, Kinjal Jethwa, and Chintan Jethwa, our Company, and Shivaarna Technofoams Private Limited.

- m) Share purchase agreement dated October 12, 2021, entered into by and amongst our Company, Norwest Capital, LLC and Mathew Chandy, Mathew George, Jacob Joseph George, Mathew A Joseph and George L Mathew.
- n) Share purchase agreement dated October 12, 2021, entered into by and amongst our Company, Norwest Capital, LLC, Lighthouse India Fund III, Limited, and Lighthouse India III Employee Trust.
- o) Share transfer agreement dated February 19, 2025 entered into by and amongst Mathew George and Jacob Joseph George, our Company and Vazhathoppil Enterprises Private Limited.
- p) Share subscription agreement dated October 12, 2021, was entered into by and amongst Norwest Capital, LLC, our Company, and Mathew George, Mathew Chandy, Mathew A Joseph and Jacob Joseph George.
- q) Share subscription and purchase agreement dated October 1, 2018, entered into by and amongst our Company, Lighthouse India Fund III, Limited, Lighthouse India III Employee Trust, Mathew George, Mathew Chandy, Mathew Joseph, Jacob Joseph George, George Mathew, Mathew George, Annie Chandy, Mathew Chandy, Sheela Joseph, Mathew Joseph, Mallu George, Jacob Joseph George and George Mathew, and Coco-Latex Exports Private Limited, as amended by the amendment agreement dated October 12, 2021 entered into by and amongst Lighthouse India Fund III, Limited, Lighthouse India III Employee Trust, Mathew Chandy and the Company.
- r) Shareholders' Agreement dated October 12, 2021, entered into by and amongst our Company, our Promoters, Lighthouse India Fund III, Limited, Lighthouse India III Employee Trust and Norwest Capital, LLC, read with deeds of adherence dated December 10, 2021 as amended pursuant to the amendment agreement dated November 23, 2022 and the waiver cum amendment agreement dated October 13, 2025.
- s) Scheme of Amalgamation of Palmspring Mattresses Private Limited, effective from April 2, 2024.
- t) Scheme of Demerger of the Warehousing business of our Company to Vazhathoppil Enterprises Private Limited, effective from August 7, 2025.
- u) Scheme of Demerger of trading business of Sleepyhead Home Decor Private Limited with our Company, operative from March 29, 2024.
- v) Share transfer agreement dated February 19, 2025, entered into by and amongst Mathew George, Jacob Joseph George, our Company and VEPL.
- w) Valuation report dated March 5, 2025, issued by Ramgopal Krishnamurthy, in relation to the demerger of Vazhathoppil Enterprises Private Limited.
- x) Valuation report dated February 7, 2025, issued by a chartered accountant, in relation to the acquisition of shares by our Company in Vazhathoppil Enterprises Private Limited.
- y) Employment agreement between the Company and Jacob Joseph George dated September 9, 2025;
- z) Employment agreement between the Company and Mathew Chandy dated September 9, 2025;
- aa) Employment agreement between the Company and Mathew George dated September 9, 2025;
- bb) Employment agreement between the Company and Mathew Antony Joseph dated September 9, 2025;
- cc) Our Company has received a written consent dated October 15, 2025, from Praveen Subramanya, on behalf of AJVA SP Appraisal Services Private Limited, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert", as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an Independent Chartered Engineer; and a certificate dated October 15, 2025, from Praveen Subramanya, on behalf of AJVA SP Appraisal Services Private Limited certifying, inter alia, the details of the installed production capacity of our manufacturing facilities. Such consent has not been withdrawn as on the date of this DRHP.
- dd) Consent dated October 15, 2025 from B S R & Co LLP, Chartered Accountants, holding a valid peer review certificate from the ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of their (i) examination report on the Restated Consolidated Financial Information; and (ii) the

statement of special tax benefits included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

- ee) Consent dated October 14, 2025 from P K Shah & Co, Chartered Accountants, the independent chartered accountants, to include their name in this Draft Red Herring Prospectus as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations as an “expert” as defined under Section 2(38) of the Companies Act 2013 in respect of various certificates issued by them in their capacity as the independent chartered accountant to our Company.
- ff) Certificate letter dated October 14, 2025 from HVS & Associates, independent practicing company secretaries, with respect to their search report in relation to certain corporate records of the Company.
- gg) Our Company has received a written consent dated October 15, 2025, from Architects IN, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an Independent Architect; and certificate dated October 15, 2025, from Architects IN, certifying, inter alia, average area of COCO Stores opened and the capital expenditure incurred on the COCO Stores opened during the last three Financial Years and the three months period ended June 30, 2025, and expenses which are proposed to be incurred by the Company towards setting up of new COCO Stores. Such consent has not been withdrawn as on the date of this DRHP.
- hh) Our Company has received a written consent dated October 15, 2025, from L. R. Swami Co., intellectual property consultant, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an intellectual property consultant; and a certificate dated October 15, 2025, from L. R. Swami Co., certifying, inter alia, details of intellectual properties applications and registrations in our name. Such consent has not been withdrawn as on the date of this DRHP.
- ii) The examination report dated October 11, 2025 by the Statutory Auditor on the Restated Consolidated Financial Information.
- jj) The statement of special tax benefits dated October 15, 2025 from the Statutory Auditor.
- kk) Consents of our Directors, Company Secretary and Compliance Officer, legal counsel to our Company as to Indian law, Bankers to our Company, Banker(s) to the Offer, the BRLMs, Syndicate Members, Registrar to the Offer, Escrow Collection Bank(s), Public Offer Account Bank(s), Refund Bank(s), Sponsor Bank(s), in their respective capacities.
- ll) Certificate dated October 15, 2025, issued by P K Shah & Co, Chartered Accountants, certifying the KPIs of our Company.
- mm) Resolution dated October 15, 2025 passed by the Audit Committee approving the KPIs.
- nn) Report titled “*Industry Report on PU Foam, Mattress, Home Comfort Accessories and Furniture Market in India*” dated October 13, 2025 issued by TKC which has been commissioned and paid for by our Company exclusively for the purposes of the Offer and uploaded on www.duroflexworld.com/pages/investor-relations.
- oo) Consent dated October 13, 2025 of TKC in respect of the TKC Report.
- pp) Due diligence certificate dated October 15, 2025, addressed to SEBI from the BRLMs.
- qq) Tripartite agreement dated July 9, 2025, amongst our Company, NSDL and Registrar to the Offer.
- rr) Tripartite agreement dated July 19, 2025, amongst our Company, CDSL and Registrar to the Offer.
- ss) In-principle listing approvals dated [●] and [●], issued by BSE and NSE, respectively.
- tt) SEBI final observation letter bearing reference number [●] dated [●] issued by SEBI.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so, required in the interest of our Company or if required by the other parties, without notice to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures, and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Jacob Joseph George
Managing Director

Date: October 15, 2025

Place: Bengaluru, India

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures, and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Mathew Chandy

Whole-time Director

Date: October 15, 2025

Place: Bengaluru, India

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures, and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Mathew George

Whole-time Director

Date: October 15, 2025

Place: Bengaluru, India

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures, and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Mathew Antony Joseph

Whole-time Director

Date: October 15, 2025

Place: Bengaluru, India

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures, and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Pawan Agrawal
Independent Director

Date: October 15, 2025

Place: Mumbai, India

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures, and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Amita Maheshwari
Independent Director

Date: October 15, 2025

Place: Mumbai, India

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures, and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Shreyans Daga

Independent Director

Date: October 15, 2025

Place: Bengaluru, India

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures, and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Anusha Mahalingam
Independent Director

Date: October 15, 2025

Place: Bengaluru, India

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures, and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Rajat Rastogi

Date: October 15, 2025

Place: Bengaluru, India

DECLARATION BY SELLING SHAREHOLDER

I, Jacob Joseph George, acting as a Selling Shareholder, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to myself, severally and not jointly, as a Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility, for any other statements and undertakings, including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company, or any other Selling Shareholder(s) or any other person(s) in this Draft Red Herring Prospectus.

Jacob Joseph George

Date: October 15, 2025

Place: Bengaluru, India

DECLARATION BY SELLING SHAREHOLDER

I, Mathew Chandy, acting as a Selling Shareholder, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to myself, severally and not jointly, as a Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility, for any other statements and undertakings, including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company, or any other Selling Shareholder(s) or any other person(s) in this Draft Red Herring Prospectus.

Mathew Chandy

Date: October 15, 2025

Place: Bengaluru, India

DECLARATION BY SELLING SHAREHOLDER

I, Mathew George, acting as a Selling Shareholder, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to myself, severally and not jointly, as a Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility, for any other statements and undertakings, including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company, or any other Selling Shareholder(s) or any other person(s) in this Draft Red Herring Prospectus.

Mathew George

Date: October 15, 2025

Place: Bengaluru, India

DECLARATION BY SELLING SHAREHOLDER

I, Mathew Antony Joseph, acting as a Selling Shareholder, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to myself, severally and not jointly, as a Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility, for any other statements and undertakings, including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company, or any other Selling Shareholder(s) or any other person(s) in this Draft Red Herring Prospectus.

Mathew Antony Joseph

Date: October 15, 2025

Place: Bengaluru, India

DECLARATION BY THE SELLING SHAREHOLDER

We, Lighthouse India Fund III, Limited, acting as a Selling Shareholder, hereby confirm, that all statements, disclosures and undertakings specifically made, confirmed or undertaken by us in this Draft Red Herring Prospectus in relation to us, as the Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements, disclosures and undertakings made or confirmed by, or relating to, the Company or any other persons or any other Selling Shareholders in this Draft Red Herring Prospectus.

Signed for and on behalf of Lighthouse India Fund III, Limited

Authorised signatory

Name: Mr. Fabrice Arlapen

Designation: Director

Date: October 15, 2025

Place: Port Louis, Mauritius

DECLARATION BY THE SELLING SHAREHOLDER

We, Lighthouse India III Employee Trust, acting as a Selling Shareholder, hereby confirm, that all statements, disclosures and undertakings specifically made, confirmed or undertaken by us in this Draft Red Herring Prospectus in relation to us, as the Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements, disclosures and undertakings made or confirmed by, or relating to, the Company or any other persons or any other Selling Shareholders in this Draft Red Herring Prospectus.

Signed for and on behalf of Lighthouse India III Employee Trust

Authorised signatory

Name: Sachin Bhartiya

Designation: Trustee

Date: October 15, 2025

Place: Mumbai